



PENTECH METALS LIMITED

CIN: U51909MH2014PLC258618

Our Company was incorporated as “Pentech Metals Private Limited” on October 09, 2014 under the Companies Act, 2013 with the Registrar of Companies, Mumbai, Maharashtra bearing Registration No. 258618 and the certificate of incorporation was issued by the Registrar of Companies at Mumbai, Maharashtra. Our Company was converted into a public limited company pursuant to a special resolution passed by our Shareholders on January 28, 2019 and the name of our Company was changed to “Pentech Metals Limited”. Consequently, a fresh certificate of incorporation consequent upon change of name upon conversion into public company was issued by the RoC on February 06, 2019. For further details pertaining to the change of name of our Company and the change in Registered Office, please refer the chapter “History and Certain Corporate Matters” on page no. 92 of this Draft Prospectus.

Registered Office: Office No. 507, 5th Floor, The Summit Business Bay, Andheri A.K. Road, Gondavali, Opp. Cinemax, Andheri, Mumbai - 400093

Tel No.: +91 22 4283 8500; **Email:** info@pentechmetals.co.in; **Website:** www.pentechmetals.co.in

Contact Person: Ms. Surabhi Agrawal, Company Secretary and Compliance Officer

Our Promoter: Mrs. Tina Gandhi

THE ISSUE

PUBLIC ISSUE OF UPTO 64,40,000 EQUITY SHARES OF ₹ 10 EACH (“EQUITY SHARES”) OF PENTECH METALS LIMITED (“PML” OR THE “COMPANY”) FOR CASH AT A PRICE OF [●] PER SHARE (THE “ISSUE PRICE”) CONSISTING OF FRESH ISSUE OF 40,40,000 EQUITY SHARES AGGREGATING TO [●] LAKHS AND AN OFFER FOR SALE OF 24,00,000 EQUITY SHARES BY THE PROMOTER SELLING SHAREHOLDER AGGREGATING TO [●] LAKHS (“OFFER FOR SALE”), AGGREGATING TO [●] LAKHS (“THE ISSUE”), OF WHICH UPTO 3,60,000 EQUITY SHARES OF ₹ 10 EACH WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF UPTO 60,80,000 EQUITY SHARES OF ₹ 10 EACH IS HEREINAFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.79% AND 25.29%, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF THE COMPANY.

THE FACE VALUE OF THE EQUITY SHARE IS ₹ 10 AND THE ISSUE PRICE IS [●] TIMES OF THE FACE VALUE

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. For further details please refer the section titled “Issue Information” beginning on page no. 173 of this Draft Prospectus.

In terms of the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 and SEBI/HO/CFD/DIL2/CIR/P/2018/138, all potential investors shall participate in the Issue only through an Application Supported by Blocked Amount (“ASBA”) process including through UPI mode (as applicable) providing details about the bank account which will be blocked by the Self Certified Syndicate Banks (“SCSBs”) for the same. For details in this regard, specific attention is invited to “Issue Procedure” on page no. 173 of this Draft Prospectus. A copy will be delivered for registration to the Registrar of Companies as required under Section 26 and 28 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 each and the Issue Price is [●] times the face value. The Issue Price (determined and justified by our Company and Selling Shareholder in consultation with the Lead Manager) as stated under “Basis for Issue Price” beginning on page no. 58 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

Investment in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of this Draft Prospectus. Specific attention of the investors is invited to “Risk Factors” beginning on page no. 17 of this Draft Prospectus.

COMPANY’S AND SELLING SHAREHOLDER’S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. The Selling Shareholder, assumes responsibility only for statements included in this Draft Prospectus, in relation to the Selling Shareholder, to the extent of information specifically pertaining to her and her respective portion of offered shares and also assume responsibility that such statements are true and correct in all material respect and not misleading in any material respect.

LISTING

The Equity Shares offered through this Draft Prospectus are proposed to be listed on the SME Platform of BSE Limited (“BSE”). Our Company has received an In Principal Approval letter dated [●] from BSE Limited for using its name in this offer document for listing our shares on the SME Platform of BSE Limited. For the purpose of this Issue, the Designated Stock Exchange will be the BSE Limited (“BSE”).

LEAD MANAGER TO THE ISSUE

REGISTRAR TO THE ISSUE



ARYAMAN
FINANCIAL SERVICES LTD

ARYAMAN FINANCIAL SERVICES LIMITED
 60, Khatau Building, Ground Floor
 Alkesh Dinesh Modi Marg, Fort, Mumbai – 400 001
Tel No.: +91 22 6216 6999; **Fax No.:** +91 22 2263 0434
Email: ipo@afsl.co.in; **Website:** www.afsl.co.in
Investor Grievance Email: feedback@afsl.co.in
Contact Person: Ms. Namrata Ravasia / Mr. Linesh Pobaru
SEBI Registration No. INM000011344



BIGSHARE SERVICES PRIVATE LIMITED
 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis
 Makwana Road, Marol, Andheri East, Mumbai – 400 059
Tel. No.: +91 22 6263 8200; **Fax No.:** +91 22 6263 8299
Email: ipo@bigshareonline.com; **Website:** www.bigshareonline.com
Investor Grievance Email: investor@bigshareonline.com
Contact Person: Mr. Babu Raphael
SEBI Registration No.: INR000001385

ISSUE OPENS ON

ISSUE CLOSES ON

[●]

[●]

Table of Contents

SECTION I – GENERAL	1
DEFINITIONS AND ABBREVIATIONS	1
PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA	10
FORWARD LOOKING STATEMENTS	12
SECTION II- SUMMARY OF OFFER DOCUMENT	14
SECTION III- RISK FACTORS	17
SECTION IV- INTRODUCTION	29
SUMMARY OF FINANCIAL INFORMATION	29
THE ISSUE	32
GENERAL INFORMATION	34
CAPITAL STRUCTURE.....	44
OBJECTS OF THE ISSUE	53
BASIS FOR ISSUE PRICE	58
STATEMENT OF SPECIAL TAX BENEFIT	60
SECTION V – ABOUT THE COMPANY	63
INDUSTRY OVERVIEW	63
OUR BUSINESS.....	73
KEY REGULATIONS AND POLICIES.....	84
OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS	92
OUR MANAGEMENT.....	95
OUR PROMOTER AND PROMOTER GROUP	107
OUR GROUP COMPANY	111
DIVIDEND POLICY	112
SECTION VI- FINANCIAL STATEMENTS	113
FINANCIAL STATEMENTS AS RESTATED	113
OTHER FINANCIAL INFORMATION	134
MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULT OPERATION	135
CAPITALIZATION STATEMENT	143
FINANCIAL INDEBTEDNESS.....	144
SECTION VII- LEGAL AND OTHER INFORMATION	146
OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS	146
GOVERNMENT AND OTHER STATUTORY APPROVALS	151
OTHER REGULATORY AND STATUTORY DISCLOSURES.....	153
SECTION VIII-ISSUE RELATED INFORMATION	164
TERMS OF THE ISSUE.....	164
ISSUE STRUCTURE	170
ISSUE PROCEDURE	173
RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES	228
SECTION IX-MAIN PROVISIONS OF ARTICLES OF ASSOCIATION	229
SECTION X-OTHER INFORMATION	244
MATERIAL CONTRACTS AND MATERIAL DOCUMENTS.....	244
DECLARATION	246



SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

General Terms

Term	Description
Pentech Metals Limited / PML/ The Company / Company / We / Us / Our Company	Unless the context otherwise indicates or implies refers to Pentech Metals Limited, a public limited company incorporated under the provisions of the Companies Act, 2013 with its registered office in Mumbai, Maharashtra.
Promoter / Core Promoter	Mrs. Tina Gandhi
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 “ <i>Our Promoter and Promoter Group</i> ” on page no. 107 of this Draft Prospectus.

Company Related Terms

Term	Description
AoA/ Articles / Articles of Association	Unless the context otherwise requires, refers to the Articles of Association of Pentech Metals Limited
Auditor of the Company	M/s. V. J. Shah & Co., Chartered Accountants, having their office at 401- 406, K Building, 24, Walchand Hirachand Marg, Ballard Estate, Mumbai – 400 001.
Audit Committee	The committee of the Board of Directors constituted on February 09, 2019 as our Company’s Audit Committee in accordance with Section 177 of the Companies Act, 2013
Board of Directors / Board	The Board of Directors of Pentech Metals Limited, including all duly constituted Committees thereof.
Chief Financial Officer	Chief financial officer of our Company is Mr. Nikhil Chaudhari
Company Secretary and Compliance Officer	The Company Secretary and Compliance officer of our Company is Ms. Surabhi Agrawal
Director(s)	Director(s) of Pentech Metals Limited, unless otherwise specified.
Equity Shares	Equity Shares of our Company of Face Value of ₹ 10 each unless otherwise specified in the context thereof.
Equity Shareholders	Persons holding Equity Share of our Company
Group Company	Company(ies) (other than our Promoter and Subsidiaries, if any) with which there were related party transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards, and as disclosed in “ <i>Our Group Company</i> ” beginning on page no. 111 of this Draft Prospectus
Key Management Personnel / KMP	Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations as disclosed in the chapter titled “ <i>Our Management</i> ” on page no. 95 of this Draft Prospectus
MOA / Memorandum / Memorandum of Association	Memorandum of Association of Pentech Metals Limited
Nomination and Remuneration Committee	The committee of the Board of Directors constituted on February 09, 2019 as our Company’s Nomination and Remuneration Committee in accordance with Section 178 of the Companies Act, 2013
Registered Office	The Registered Office of our company which is Office No.507, 5th Floor, The Summit Business Bay, Andheri A. K. Road, Gondavali, Opp. Cinemax, Andheri, Mumbai – 400093, Maharashtra
Registrar of Companies / RoC	Registrar of Companies, Mumbai, Maharashtra situated at Registrar of Companies, 100, Everest, Marine Drive, Mumbai- 400002



Term	Description
Restated Financial Statements	Restated financial statements of our Company as at and for the period ended September 30, 2018 and financial years ended 2018, 2017 and 2016 which comprises the restated statement of assets and liabilities, the restated statement of profit and loss and the restated statement of cash flows and notes thereto
Stakeholders' Relationship Committee	The committee of the Board of Directors constituted on February 09, 2019 as our Company's Stakeholders' Relationship Committee.
Stock Exchange	Unless the context requires otherwise, refers to, the SME Platform of BSE Limited.

Issue Related Term

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 registration of the Application Form
Allotment	Unless the context otherwise requires, the allotment of the Equity Shares pursuant to the Issue to the successful applicants, including transfer of the Equity Shares pursuant to the Issue to the successful applicants
Allotment Advice	Note, advice or intimation of Allotment sent to the Applicants who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange
Allottees	The successful applicant to whom the Equity Shares are being / have been allotted
Application Form	The form in terms of which the Applicant shall make a Application, including ASBA Form, and which shall be considered as the application for the Allotment pursuant to the terms of this Draft Prospectus and the Prospectus
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 ASBA Account including the bank account maintained with such SCSB and will include amounts blocked by RIIs using the UPI mechanism
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB or the account of the RII Bidder blocked upon acceptance of UPI Mandate Request by RIIs using the UPI mechanism to the extent of the Application Amount of the Applicant
ASBA Applicant(s)/ Applicant	Any prospective investor who makes an Application pursuant to the terms of the Prospectus and the Application Form including through UPI mode (as applicable)
ASBA Application / ASBA Form	An application form, whether physical or electronic, used by ASBA Applicants, which will be considered as the application for Allotment in terms of this Draft Prospectus and the Prospectus
Bidding Centres	Centres at which the Designated Intermediaries shall accept the ASBA Forms i.e. Designated SCSB Branch for SCSBs, Specified Locations for members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Banker(s) to the Company	Such banks which are disclosed as Bankers to our Company in the chapter titled "General Information" on page no. 34 of this Draft Prospectus
Banker(s) to the Issue	The banks which are Clearing Members and registered with SEBI as Banker to an Issue with whom the Escrow Agreement is entered and in this case being [●]
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Applicants under the Issue and which is described in the chapter titled "Issue Procedure" beginning on page no. 173 of this Draft Prospectus.
Broker Centres	Broker centres notified by the Stock Exchanges where Applicants can submit the Application Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Broker are available on the respective websites of the Stock



Term	Description
	Exchanges (www.bseindia.com and www.nseindia.com)
Business Day	Monday to Friday (except public holidays)
CAN / Confirmation of Allocation Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange.
Circular on Streamlining of Public Issues	Circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Client ID	Client identification number maintained with one of the Depositories in relation to Demat account.
Collecting Depository Participant(s) or CDP(s)	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular No. GR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of the Circular on Streamlining of Public Issues.
Controlling Branches	Such Branches of the SCSBs which co-ordinate Applications by the Applicants with the Registrar to the Issue and the Stock Exchanges and a list of which is available at http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time.
Collecting Registrar and Share Transfer Agents or CRTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of the Circular on Streamlining of Public Issues.
Demographic Details	The demographic details of the Applicants such as their Address, PAN, Occupation and Bank Account details and UPI ID wherever applicable
Depositories	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996 i.e. CDSL and NSDL
Depositories Act	The Depositories Act, 1996, as amended from time to time
Designated Date	The date on which the funds blocked by the SCSBs are transferred from the ASBA Accounts specified by the Applicants to the Public Issue Account.
Designated Intermediaries / Collecting Agent	Syndicate Members, Sub-Syndicate/Agents, SCSBs, Registered Brokers, Brokers, the CDPs and RTAs, who are authorized to collect Application Forms from the Applicants, in relation to the Issue
Designated CDP Locations	Such locations of the CDPs where Applicants can submit the Application forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the Stock Exchange.
Designated Market Maker	Aryaman Capital Markets Limited (formerly known as Aryaman Broking Limited) will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI ICDR Regulations.
Designated RTA Locations	Such locations of the CRTAs where Applicants can submit the Application Forms to CRTAs. The details of such Designated RTA Locations, along with names and contact details of the CRTAs eligible to accept Application Forms are available on the websites of the Stock Exchange
Designated SCSB Branches	Such Branches of the SCSBs which shall collect the Application Forms submitted by the ASBA Applicants, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 , updated from time to time, or at such other website as may be prescribed by SEBI from time to time.



Term	Description
Designated Stock Exchange	SME Platform of BSE Limited
Draft Prospectus	This Draft Prospectus dated February 20, 2019 issued in accordance with the SEBI ICDR Regulations
Eligible NRI(s)	An NRI(s) from such a jurisdiction outside India where it is not unlawful to make an Issue or invitation under this Issue and in relation to whom the Application Form and the Prospectus will constitute an invitation to purchase the equity shares.
Escrow Agreement	Agreement dated [●] entered into amongst the Company, the Selling Shareholder, Lead Manager, the Registrar, Banker to the Issue and Sponsor Bank for collection of the Application Amounts, transfer of funds from the Escrow Account to the Public Issue Account and where applicable, refunds of the amounts collected from the Applicants, on the terms and conditions thereof.
Foreign Portfolio Investor / FPIs	Foreign Portfolio Investor as defined under the SEBI (Foreign Portfolio Investors) Regulations, 2014.
Fresh Issue	Fresh issue of Upto 40,40,000 equity shares by our company aggregating to [●] lakhs by our Company as part of the Issue, in terms of this Draft Prospectus and Prospectus
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 no. 53 of this Draft Prospectus
Issue/ Issue Size / Public Issue/ IPO	This Initial Public Issue of Upto 64,40,000 Equity Shares of ₹ 10 each for cash at a price of [●] per equity share aggregating to [●] lakhs by our Company and the Selling Shareholder
Issue Closing date	The date on which the Issue closes for subscription being [●]
Issue Opening date	The date on which the Issue opens for subscription being [●]
Issue Price	The price at which the Equity Shares are being issued by our Company and the Selling Shareholder in consultation with the Lead Manager under this Draft Prospectus being [●] per share.
LM / Lead Manager	Lead Manager to the Issue, is Aryaman Financial Services Limited
Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and BSE Limited.
Lot Size	The Market lot and Trading lot for the Equity Share is [●] and in multiples of [●] thereafter; subject to a minimum allotment of [●] Equity Shares to the successful applicants.
Market Maker Reservation Portion	The Reserved portion of 3,60,000 Equity shares of ₹ 10 each for cash at a price of [●] per equity share aggregating to [●] lakhs for Designated Market Maker in the Public Issue of our Company.
Market Making Agreement	The Agreement among the Market Maker, the Lead Manager and our Company dated February 09, 2019
Mutual Fund	A Mutual Fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as Amended
Net Issue	The Net Issue of Upto 60,80,000 Equity Shares of ₹ 10 each for cash at a price of [●] per equity share aggregating to [●] lakhs by our Company and the Selling Shareholder
Non-Institutional Applicant/ Non-Institutional Investor/ NII	All Applicants, including Eligible QFIs, sub accounts of FIIs registered with SEBI which are foreign corporate or foreign individuals, that are not QIBs or Retail Individual Applicants and who have applied for Equity Shares for an amount of more than ₹ 2,00,000 (but not including NRIs other than Eligible NRIs)
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, Eligible QFIs, FIIs registered with SEBI and FVCIs registered with SEBI
Offer for Sale/OFS	The offer for sale of 24,00,000 Equity Shares by Mrs. Tina Gandhi, in terms of this Draft Prospectus and Prospectus
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated

Term	Description
	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 containing, inter alia, the Issue opening and closing dates and other information.
Public Issue Account	Account opened with Banker to the Issue to receive monies from the Escrow Account(s) and to transfer monies from the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date.
Qualified Foreign Investors / QFIs	Non-resident investors other than SEBI registered FIIs or sub-accounts or SEBI registered FVCIs who meet 'know your client' requirements prescribed by SEBI
Qualified Institutional Buyers / QIBs	Public financial institutions as defined in Section 2(72) of the Companies Act, 2013, Foreign Portfolio Investor other than Category III Foreign Portfolio Investor, AIFs, VCFs, FVCIs, Mutual Funds, multilateral and bilateral financial institutions, scheduled commercial banks, state industrial development corporations, insurance companies registered with the IRDA, provident funds and pension funds with a minimum corpus of ₹ 250 million, insurance funds set up and managed by the army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, Government of India, eligible for Bidding and does not include FVCIs and multilateral and bilateral institutions.
Refund Bank	The Banker to the Issue with whom the Refund Account(s) will be opened, in this case being [●]
Refunds through electronic transfer of funds	Refunds through NACH, Direct Credit, RTGS or NEFT, as applicable.
Registrar Agreement	The agreement dated February 09, 2019 among our Company, the Selling Shareholder and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue
Registrar and Share Transfer Agents/RTAs	Registrar and Share Transfer Agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registrar/ Registrar to the Issue	Registrar to the Issue being Bigshare Services Private Limited
Retail Individual Investors / RIIs	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than ₹ 2,00,000
Revision Form	Form used by the Applicants to modify the quantity of the Equity Shares or the Applicant Amount in any of their Application Form(s) or any previous Revision Form(s) QIB Bidders and Non-Institutional Bidders 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.
Self-Certified Syndicate Bank(s) / SCSBs	A Bank registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and Issues the facility of ASBA, including blocking of bank account. A list of all SCSBs is available at http://www.sebi.gov.in/pmd/scsb.pdf
Selling Shareholder/ Promoter Selling Shareholder	Our Promoter Mrs. Tina Gandhi
Share Escrow Agent	Share Escrow agent appointed pursuant to the Share Escrow Agreement, being Bigshare Services Private Limited
Share Escrow Agreement	Agreement dated [●] entered into between the Selling Shareholder, our Company, the Escrow Agent and the Lead Manager in connection with the transfer of Equity Shares under the Offer for Sale by the Selling Shareholder and credit of such Equity Shares to the demat account of the Allottees



Term	Description
SME Platform of BSE	The SME Platform of BSE for listing of equity shares offered under Chapter IX of the SEBI (ICDR) Regulations which was approved by SEBI as an SME Exchange on September 27, 2011.
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 [●]
TRS / Transaction Registration Slip	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the Applicant, as proof of registration of the Application.
Underwriters	Aryaman Financial Services Limited and Aryaman Capital Markets Limited
Underwriting Agreement	The Agreement among the Underwriters, our Company and the Selling Shareholder dated February 09, 2019.
UPI 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 1, 2018
UPI PIN	Password to authenticate UPI transaction
U.S. Securities Act	U.S. Securities Act of 1933, as amended
Working Day	All trading days of the Stock Exchange excluding Sundays and Bank holidays in Mumbai.

Technical / Industry related Terms

Term	Description
H R Chequered Coil	Hot Rolled Chequered Coil
H R Coil	Hot Rolled Coil
H R Sheet	Hot Rolled Sheet
M S Bar	Mild Steel Bar
M S	Mild Steel
H R	Hot Rolled
PPGI coils/sheet	Pre-Painted Galvanised Iron coils / sheets
GC Sheets	Corrugated sheets
TMT Bars	Thermo Mechanically Treated Bars
C R Coils	Cold Rolled Steel Coils
CC Coils	Color Coated Coils
EMDEs	Emerging Market and Developing Economies
MT	Metric Ton
MTPA	Million Tonnes Per Annum

Conventional Terms / General Terms / Abbreviations

Term	Description
A/c	Account
AGM	Annual General Meeting
AIF	Alternative Investment Fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012



Term	Description
AS / Accounting Standards	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Applications Supported by Blocked Amount
AY	Assessment Year
BSE	BSE Limited
CAGR	Compound Annual Growth Rate
Category I foreign portfolio investor(s) / Category I FPIs	FPIs who are registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations
Category II foreign portfolio investor(s) / Category II FPIs	FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations
Category III foreign portfolio investor(s) / Category III FPIs	FPIs who are registered as “Category III foreign portfolio investors” under the SEBI FPI Regulations
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIN	Company Identification Number
CIT	Commissioner of Income Tax
Client ID	Client identification number of the Applicant’s beneficiary account
Companies Act / Companies Act, 2013	Unless specified otherwise, this would imply to the provisions of the Companies Act, 2013 (to the extent notified) w.r.t. the sections which have not yet been replaced by the Companies Act, 2013 through any official notification
CSR	Corporate Social Responsibility
CST	Central Sales Tax
CY	Calendar Year
DIN	Director Identification Number
DP	Depository Participant, as defined under the Depositories Act 1996
DP ID	Depository Participant’s identification
EBITDA	Earnings before Interest, Taxes, Depreciation and Amortization
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EMDEs	Emerging Markets and Developing Economies
EPS	Earnings Per Share
FCNR Account	Foreign Currency Non Resident Account
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations thereunder
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017
FIIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FPIs	Foreign Portfolio Investors as defined under the SEBI FPI Regulations
FIPB	Foreign Investment Promotion Board
FVCI	Foreign Venture Capital Investors as defined and registered under the SEBI FVCI Regulations
FY / Fiscal / Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
GDP	Gross Domestic Product
GoI/Government	Government of India
GST	Goods & Services Tax
HNIs	High Networth Individuals
HUF	Hindu Undivided Family



Term	Description
IAS Rules	Indian Accounting Standards, Rules 2015
ICAI	The Institute of Chartered Accountants of India
ICSI	Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
IMF	International Monetary Fund
Indian GAAP	Generally Accepted Accounting Principles in India
Ind AS	Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013, as notified under the Companies (Indian Accounting Standard) Rules, 2015
I.T. Act	Income Tax Act, 1961, as amended from time to time
IPO	Initial Public Offering
ISIN	International Securities Identification Number
KM / Km / km	Kilo Meter
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MoF	Ministry of Finance, Government of India
MICR	Magnetic Ink Character Recognition
MOU	Memorandum of Understanding
NA / N. A.	Not Applicable
NAV	Net Asset Value
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer
NOC	No Objection Certificate
NRE Account	Non Resident External Account
NRIs	A person resident outside India, who is a citizen of India or a person of Indian origin, and shall have the meaning ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB / Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60.00% by NRIs including overseas trusts, in which not less than 60.00% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
p.a.	per annum
P/E Ratio	Price/Earnings Ratio
PAC	Persons Acting in Concert
PAN	Permanent Account Number
PAT	Profit After Tax
PLR	Prime Lending Rate
RBI	Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
RoC	Registrar of Companies
ROE	Return on Equity
RONW	Return on Net Worth
Rupees / Rs. / ₹	Rupees, the official currency of the Republic of India
RTGS	Real Time Gross Settlement
SCRA	Securities Contract (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012



Term	Description
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI LODR Regulations, 2015 / SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 notified on September 2, 2015
SEBI SAST Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as repealed by the SEBI AIF Regulations
Sec.	Section
Securities Act	U.S. Securities Act of 1933, as amended
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
STT	Securities Transaction Tax
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
TIN	Taxpayers Identification Number
TDS	Tax Deducted at Source
UPI	Unified Payments Interface as a payment mechanism through National Payments Corporation of India with Application Supported by Block Amount for applications in public issues by retail individual investors through SCSBs
US/United States	United States of America
USD/ US\$/ \$	United States Dollar, the official currency of the United States of America
VAT	Value Added Tax
VCF / Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
Wilful Defaulter(s)	Wilful defaulter as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations



PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Certain Conventions

All references to “India” contained in this Draft Prospectus are to the Republic of India. Unless stated otherwise, all references to page numbers in this Draft Prospectus are to the page numbers of this Draft Prospectus.

Financial Data

Unless stated otherwise, the financial data included in this Draft Prospectus are extracted from the Financial Statements, as at and for period ended September 30, 2018 and the financial year ended 2018, 2017, 2016 of our Company, prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI ICDR Regulations and Guidance Note on “Reports in Company Prospectus (Revised 2016)” issued by ICAI, as stated in the report of our Statutory and Peer Reviewed Auditor, as set out in the chapter titled “*Financial Statements as Restated*” beginning on page 113 this Draft Prospectus. Our Financial Statements are derived from our audited financial statements prepared in accordance with Indian GAAP, the Companies Act, and have been restated in accordance with SEBI ICDR Regulations and Guidance Note on “Reports in Company Prospectus (Revised 2016)” issued by ICAI. Our Fiscal commences on April 1st of each year and ends on March 31st of the next year. All references to a particular Fiscal are to the twelve (12) months period ended March 31st of that year. In this Draft Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off. There are significant differences between Indian GAAP, IFRS and US GAAP. The Company has not attempted to quantify their impact on the financial data included herein and urges you to consult your own advisors regarding such differences and their impact on the Company’s financial data. Accordingly to what extent, the financial statements included in this Draft Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices / Indian GAAP. Any reliance by persons not familiar with Indian Accounting Practices on the financial disclosures presented in this Draft Prospectus should accordingly be limited. Any percentage amounts, as set forth in section titled “*Risk Factors*”, and chapters titled “*Our Business*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and elsewhere in this Draft Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s Financial Statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI ICDR Regulations and Guidance Note on “Reports in Company Prospectus (Revised 2016)” issued by ICAI as stated in the report of our Statutory and Peer Reviewed Auditor, set out in the chapter titled “*Financial Statements as Restated*” beginning on page 113 of this Draft Prospectus.

Currency and Units of Presentation

All references to:

- “Rupees” or “INR” or “Rs.” or “₹” are to Indian Rupee, the official currency of the Republic of India; and
- “USD” or “US\$” are to United States Dollar, the official currency of the United States.

Our Company has presented certain numerical information in this Draft Prospectus in “Lakhs” units. One Lakh represents 1,00,000. In this Draft Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures derived from our Financial Statements in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal place.

Industry and Market Data

Industry and market data used in this Draft Prospectus has been obtained or derived from various industry publications. Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable but their accuracy and Completeness are not guaranteed and their reliability cannot be assured. Accordingly, no investment decisions should be based on such information. We believe the industry and market data used in this Draft Prospectus is reliable, however, it has not been independently verified by our Company or the Lead Manager or any of their



affiliates or advisors. The data used in these sources may have been re-classified by us for the purposes of presentation. Data from these sources may also not be comparable.



FORWARD LOOKING STATEMENTS

All statements contained in this Draft 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 Draft 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 Iron & Steel Trading Industry in India where we have our businesses and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India and overseas which have an impact on our business activities or investments, the monetary and fiscal policies of India and other jurisdictions in which we operate, inflation, deflation, unanticipated volatility in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in our industry and incidence of any natural calamities and/or acts of violence. Other important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- Changes in laws and regulations relating to the sectors/areas in which we operate;
- Increased competition in Iron & Steel Trading Industry.
- Our ability to successfully implement our growth strategy and expansion plans;
- Our ability to meet our further capital expenditure requirements;
- Fluctuations in operating costs;
- Our ability to attract and retain qualified personnel;
- Conflict of Interest with affiliated companies, the promoter group and other related parties;
- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Changes in government policies and regulatory actions that apply to or affect our business;
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- The occurrence of natural disasters or calamities;
- Our inability to maintain or enhance our brand recognition;
- Inability to adequately protect our trademarks and
- Changes in consumer demand

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 page nos. 17, 73 and 135 of this Draft Prospectus, respectively.

By their nature, certain risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been



estimated. Forward-looking statements speak only as of this Draft Prospectus. Our Company, the Selling Shareholder, our Directors, the Lead Manager, and their respective affiliates or associates do not have any obligation to, and do not intend to, update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the SEBI requirements, our Company, the Selling Shareholder and the Lead Manager will ensure that investors in India are informed of material developments until such time as the grant of listing and trading approvals by the Stock Exchange.



SECTION II- SUMMARY OF OFFER DOCUMENT

A. Summary of Business

Our Company was incorporated as private limited company as “Pentech Metals Private Limited” on October 09, 2014 under the Companies Act, 2013 with the Registrar of Companies, Mumbai, Maharashtra and the certificate of incorporation was issued by the Registrar of Companies at Mumbai, Maharashtra. Our Company was converted into a public limited company pursuant to a special resolution passed by our Shareholders on January 28, 2019 and the name of our Company was changed to “Pentech Metals Limited”. Our Company currently is a trader, stockiest and distributor of iron & steel products. We aim to expand our customer base by reaching out to new states and increasing the sales in existing states.

B. Summary of Industry

Rise in infrastructure development and automotive production are driving growth in the sector. Power and cement industries are also aiding growth in the metals and mining sector. Demand for iron and steel is set to continue, given the strong growth expectations for the residential and commercial building industry.

The growth in the Indian steel sector has been driven by domestic availability of raw materials such as iron ore and cost-effective labour. Consequently, the steel sector has been a major contributor to India’s manufacturing output. The Indian steel industry is very modern with state-of-the-art steel mills.

India ranks 4th in terms of iron ore production globally. In FY18, production of iron ore stood at 210 million tonnes. India has around 8 per cent of world’s deposits of iron ore.

For more details please refer chapter titled “Industry Overview” beginning on page 63 of this Draft Prospectus.

C. Our Promoters:

Our Company is promoted by Mrs. Tina Gandhi

- D. Public Issue of Upto 64,40,000 Equity Shares of ₹ 10 each (“Equity Shares”) of Pentech Metals Limited (“PML” or the “Company”) for cash at a price of ₹ [●] per share (the “Issue Price”), aggregating to ₹ [●] Lakhs (“the Issue”), of which 3,60,000 equity shares of ₹ 10/- each will be reserved for subscription by Market Makers to the Issue (the “Market Maker Reservation Portion”). The Issue less Market Maker Reservation Portion i.e. Issue of 60,80,000 equity shares of ₹ 10/- each is hereinafter referred to as the “Net Issue”. The Issue and the Net Issue will constitute 26.79% and 25.29%, respectively of the Post Issue paid up equity share capital of the Company.

E. Object of the Issue

The fund requirements for each of the Object of the Issue are stated as below:

(₹ in lakhs)

Sr. No.	Particulars	Amount	% of Net Proceeds
1.	Working Capital Requirements	750.00	[●]
2.	Funding expenditure for General Corporate Purposes	[●]	[●]
Total		[●]	[●]

F. Pre-Issue Shareholding of our Promoter and Promoter Group as a percentage of the paid-up share capital of the Company

Set forth is the Pre Issue shareholding of our Promoter 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 Pre- Issued Equity
1. Promoter		
Mrs. Tina Gandhi	1,99,90,000	99.95%
Sub-Total (A)	1,99,90,000	99.95%
2. Promoter Group		
Mr. Kunal Gandhi	5,000	0.03%
Mrs. Bhumika Bhumit Gandhi	-	-
Mr. Kishor Gandhi	-	-
Sub-Total (B)	5,000	0.03%
Total Promoter & Promoter Group Holding	1,99,95,000	99.98%

G. Summary of Restated Financial Statement

(₹ in lakhs)

Particulars	For the period ended September 30, 2018	For the year ended March 31,		
		2018	2017	2016
Share Capital	2,000.00	2,000.00	2,000.00	2,000.00
Net Worth	2,179.54	2,126.35	2,063.57	2,032.17
Total Revenue	15,208.68	26,972.06	22,048.88	47,100.88
Profit after Tax	53.20	62.78	31.40	19.48
Earnings Per Share:				
Basic	0.27	0.31	0.16	0.26
Diluted	0.27	0.31	0.16	0.26
Net Asset Value Per Share (Rs.) - based on actual no. of equity shares at the end of the year	10.90	10.63	10.32	27.55
Total borrowings	767.44	594.80	398.49	120.76

H. There are no material Auditor's Qualifications in any of the Financial Statements of the Company.

I. **For Summary of Outstanding Litigation please refer to the Chapter titled "Outstanding Litigation and Material Developments" on page no. 146**

J. Investors should read chapter titled "*Risk Factors*" beginning on page no. 17 of this Draft Prospectus to get a more informed view before making any investment decisions.

K. Summary of contingent liabilities

As of September 30, 2018, our contingent liabilities are nil as indicated in our Restated Financial Statements and also certified by our statutory auditors

For further information, please refer "*Annexure XXIX Contingent Liability*" on page no. 132 of this Draft Prospectus

L. Summary of related party transactions

As of September 30, 2018, our related party transactions are as indicated in our Restated Financial Statements and also certified by our statutory auditors were as follows:



(₹ in lakhs)

Particulars	Particulars of transactions with		
	Board of Directors/ KMP	Relatives of KMP	Associates / Enterprises over which directors and / or their relatives has significant influence
1) Finance			
Loans Taken			
Opening Balance	201.16	6.72	-
Loan taken during the period	6.87	54.04	30.00
Repaid during the year	28.83	60.76	30.00
Outstanding at the end of the year	179.20	-	-
3) Expenses			
Rent	3.00	-	-
Salary and/ or Bonus	10.15	9.00	-
4) Outstanding			
Remuneration payable	0.18	-	-
Security deposit payable	12.50	-	-

For information please refer “Annexure XXVI - Statement of Related Party Transactions, As Restated” on page no. 129 of this Draft Prospectus.

M. There are no financing arrangements whereby the Promoter Group, the Directors of our Company who are the Promoters of our Company, the Directors of our Company and their relatives have financed the purchase by any other person of securities of our Company during the period of 6 (six) months immediately preceding the date of this Draft Prospectus.

N. The weighted average price of acquisition of Equity Shares by our Promoters in last one year is:

Promoter	No. of Shares	Weighted Average cost (₹)
Mrs. Tina Gandhi	-	-

O. The average cost of acquisition of Equity Shares by our Promoters is:

Promoter	Average cost (₹)
Mrs. Tina Gandhi	10

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

Q. Our Company has not issued any Equity Shares for consideration other than cash in the one year preceding the date of this Draft Prospectus

R. Our Company has not undertaken a split or consolidation of the Equity Shares in the one year preceding the date of this Draft Prospectus



SECTION III- RISK FACTORS

An investment in Equity Shares involves a high degree of financial risk. You should carefully consider all information in this Draft Prospectus, including the risks described below, before making an investment in our Equity Shares. The risk factors set forth below do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. Any of the following risks, as well as the other risks and uncertainties discussed in this Draft Prospectus, could have a material adverse effect on our business and could cause the trading price of our Equity Shares to decline and you may lose all or part of your investment. In addition, the risks set out in this Draft Prospectus are not exhaustive. Additional risks and uncertainties, whether known or unknown, may in the future have material adverse effect on our business, financial condition and results of operations, or which we currently deem immaterial, may arise or become material in the future. To obtain a complete understanding of our Company, prospective investors should read this section in conjunction with the sections entitled “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations on page nos. 73 and 135 of this Draft Prospectus respectively as well as other financial and statistical information contained in this Draft Prospectus. Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other risks mentioned herein.

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

Materiality

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

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

INTERNAL RISK FACTORS

- 1. *Our Chief Operating Officer, Mr. Kunal Gandhi is involved a legal proceeding before the Debt Recovery Tribunal. Any adverse decision in the same may have a material adverse effect on our Chief Operating Officer’s ability to steer our business and may lead to business and reputational loss to us.***

Our Chief Operating Officer, Mr. Kunal Gandhi is involved in a legal proceeding being Application No. 265 of 2017 filed by the Bank of Baroda before the Debt Recovery Tribunal in respect of recovery of amounts under certain credit facilities extended by it to a partnership firm, Messrs. Magnum Steel, Mr. Kunal Gandhi is a partner of the said firm. Under the said proceeding, the Bank of Baroda has claimed as amount of ₹ 10,246.49 from the said firm and certain others including Mr. Kunal Gandhi. The said credit facilities are inter-alia secured by way of mortgage of certain immovable properties of Mr. Kunal Gandhi. There can be no assurance that these proceedings will be decided in favour of the said firm and Mr. Kunal Gandhi. In the event the firm fails to pay the requisite amount, the Bank may then enforce the securities including the securities provided by Mr. Kunal Gandhi. Consequently, if such proceedings are determined against Mr. Kunal Gandhi and any of the securities provided by him are enforced, it may divert the attention of Mr. Kunal Gandhi which may lead to a material adverse effect on the conduct of our business and our reputation and thereby also adversely affect our financial condition and results of operations. For the details of the aforesaid proceedings, please see the chapter titled “*Outstanding Litigations and Material Developments*” beginning on page no. 146 of this Draft Prospectus.

- 2. We generally do business with our customers on purchase order basis and do not enter into long term contracts with most of them. Our inability to maintain relationships with our customers could have an adverse effect on our business, prospects, results of operations and financial condition.**

Our business is dependent on our continuing relationships with our customers. Our Company neither has any long term contract with any of customers nor has any marketing tie up for our products. Any change in the buying pattern of our customers can adversely affect the business of our Company. The loss of or interruption of work by, a significant customer or a number of significant customers or the inability to procure new orders on a regular basis or at all may have an adverse effect on our revenues, cash flows and operations.

Our business depends on the continuity of our relationship with our customers. There can be no assurance that we will be successful in maintaining such relationships or increasing the number of such relationships. If we are not able to maintain existing relationships with our current customers or if we are not able to develop new relationships, including if we are not able to provide services on a timely basis or offer services that meet the needs of the customers, the number of customers could decline in the future and as a result, our business, prospects, results of operations and financial condition could be adversely affected in the future.

- 3. We are highly dependent on our suppliers for uninterrupted supply of goods traded by us. We have not entered into any long term supply agreement for purchase of goods required for trading. Also volatility in the prices and non availability of these goods may have an adverse impact in our business prospects, results of operations and financial condition.**

We procure our supply of goods from various vendors in the market. We have not entered into any long term supply agreement for supply of major products traded by us.

Currently, we have been able to secure timely supply of required products for our existing activity. Goods traded by us are easily available in the domestic market and international market and no difficulty is envisaged in sourcing of these products. In case of any disruption in supply of goods from these suppliers or our procurement of these products in terms are not favorable to us; it will adversely affect our operations and financial cost. Further in case our Company is unable to procure the requisite quantities of the products traded by us well in time and at competitive prices due to volatility in the prices of raw materials, the performance of our company may be affected, thus adversely affecting our business, prospects, results of operations and financial condition.

- 4. We do not own registered office and godown which is used by us currently.**

We have our registered office at Office No.507, 5th Floor, The Summit Business Bay, Andheri A.K Road, Gondavali, Opp.Cinemax, Andheri. Mumbai – 400093. We have taken the said office on rent from our Promoter – Mrs. Tina Gandhi on a monthly rent basis. The agreement expires on March 31, 2021.

Further, we have entered into agreement for bailment with Vistar Metal Industries Private Limited on September 25, 2018 pursuant to which we utilise Gut no. 154 to 161 and 163 to 165, Wada Shahpur Road, Village Abitgarh, Taluka Wada, District Palghar – 421303 as our godown.

If owner of the said premises revokes the arrangements under which we occupy these premises or imposes terms and conditions that are unfavorable to us, or if we are otherwise unable to occupy such premises, we may suffer a disruption in our operations or have to pay increased license fee, which could have an adverse effect on our business and financial results.

- 5. Our operations are significantly located in the Mumbai and failure to expand our operations may restrict our growth and adversely affect our growth.**

Currently, our office and godown are located in Mumbai and we are carrying our business mainly with market players from Mumbai itself. Hence, our revenues are generated from operations in this region only. In the event that demand for our products and services in general reduces or stops by any reason including political discord or instability or change in policies of State, then our financial condition and operating results may be materially and



adversely affected. Geographical and functional expansion of our business domain requires establishment of adequate network. As we seek to diversify our regional focus we may face the risk that our competitors may be better known in other markets, enjoy better relationships with customers. Our lack of exposure in geographical boundaries outside our operating region could impact our future revenues.

6. The prices we are able to obtain for our products that we trade depend largely on prevailing market prices.

The price of the products traded by us has a significant impact on our profits. Our core products have been subject to price fluctuations resulting from weather, domestic and foreign trade policies, shifts in supply and demand and other factors beyond our control. As a result, any fluctuation in prices could have a material adverse effect on our Company and our results of operations.

7. The Proposed objects of the issue for which funds are being raised 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.

The objects of the issue for which the funds are being raised have not been appraised by any bank or financial institution. In the absence of such independent appraisal, the requirement of funds raised through this Issue, as specified in the chapter titled “Objects of the Issue” are based on the company’s estimates and internal research. We may have to revise our management estimates from time to time and consequently our funding requirements may also change. This may result in rescheduling of our expenditure plans and an increase or decrease in our proposed expenditure for a particular object. Deployment of these funds is at the discretion of the management and the Board of Directors of the company and will not be subject to monitoring by any independent agency. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials.

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

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

(₹ in lakhs)

Particulars	For the Period ended September 30, 2018	For the year ended March 31,		
		2018	2017	2016
Cash flow from Operating Activities	(66.56)	(31.04)	(98.75)	(2,041.03)
Cash flow from Investing Activities	(0.73)	(48.43)	(20.59)	(42.48)
Cash flow from Financing Activities	26.38	115.64	119.98	2,069.60

For details, please refer “Management’s Discussion and Analysis of Financial Conditions and Results of Operations” on page no. 135 of this Draft Prospectus.

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

9. Trade receivables constitute major portion of our assets, our inability to recover the same can affect our financial position.

We are engaged in goods trading of metals. Our business is working capital intensive and hence, trade receivables form a substantial part of our current assets and net worth. The results of operations of our business are dependent on our ability to effectively manage our trade receivables.

To effectively manage our trade receivables, we must be able to accurately evaluate the credit worthiness of our customers and ensure that suitable terms and conditions are given to them in order to ensure our continued




relationship with them. However, if our management fails to accurately evaluate the credit worthiness of our customers, it may lead to bad debts, delays in recoveries and / or write-offs which could lead to a liquidity crunch, thereby adversely affecting our business and results of operations. A liquidity crunch may also result in increased working capital borrowings and, consequently, higher finance cost which will adversely impact our profitability.


10. We may not be able to maintain our current levels of profitability due to increased costs or reduced trading spreads or margins.

Our business strategy involves a relatively high level of ongoing interaction with our clients. We believe that this involvement is an important part of developing our relationship with our clients, identifying new cross selling opportunities and monitoring our performance. However, this level of involvement also entails higher levels of costs and also requires a relatively higher gross spread, or margin, on the various products we offer in order to maintain profitability. There can be no assurance that we will be able to maintain our current levels of profitability if the gross spreads on our traded products were to reduce substantially, which could adversely affect our results of operations.

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

We have entered into transactions with our promoter and other related parties. For a list of related parties, please see the chapter titled “*Financial Statements-Annexure XXVI - Related Party Transaction*” beginning on page no. 129 of this Draft Prospectus. While we believe that all such transactions have been conducted on an arm’s length basis, there can be no assurance that we could not have achieved more favorable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we may enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our business, prospects, results of operations and financial condition, including because of potential conflicts of interest or otherwise.

12. We have not yet applied for registration of our name and logo and we do not own the “” legally as on date. We may be unable to adequately protect our intellectual property. Furthermore, we may be subject to claims alleging breach of third party intellectual property rights.

We have not yet applied for registration of our name and logo under the provisions of the Trademarks Act, 1999 and do not own the “” used in our communications and other operations as on date. As such, we do not enjoy the statutory protections accorded to a registered trademark or logo as on date. There can be no assurance that we will be able to register the logo in future or that, third parties will not infringe our intellectual property, causing damage to our business prospects, reputation and goodwill. Further, we cannot assure you that any application for registration of our logo in future by our Company will be granted by the relevant authorities in a timely manner or at all. 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. We may need to litigate in order to determine the validity of such claims and the scope of the proprietary rights of others. Any such litigation could be time consuming and costly and the outcome cannot be guaranteed. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our intellectual property.

13. If we are unable to establish and maintain an effective system of internal controls and compliances, our business and reputation could be adversely affected.

We manage our internal compliance by monitoring and evaluating internal controls and ensuring all relevant statutory and regulatory compliances. However, there can be no assurance that deficiencies in our internal controls will not arise or that we will be able to implement and continue to maintain adequate measures to rectify or mitigate any such deficiencies in our internal controls, in a timely manner or at all. If we are unable to establish and maintain an effective system of internal controls and compliances, our business and reputation could be adversely affected.



14. The success of our business operations is dependent on the knowledge and experience of our Promoter and Directors as well as our ability to attract and retain them.

We believe that our relation with our Promoter and key managerial persons, who have rich experience in setting up business, developing markets, managing customers and handling overall businesses, has enabled us to experience growth and profitability. We benefit from our relationship with our Promoter and our success depends upon the continuing services of our Promoter who has been responsible for the growth of our business and is closely involved in the overall strategy, direction and management of our business. Further, our Promoter has also promoted other companies and may continue to do so. If the promoter diverts her attention to the other companies, we may not be able to function as efficiently and profitably as before. We may have to incur additional costs to replace the services of our promoter or we may not be able to do so at all, which could adversely affect our business operations and affect our ability to continue to manage and expand our business.

15. We depend on the accuracy and completeness of information about customers and counterparties and any misrepresentation, errors in or incompleteness of such information could cause our business to suffer.

In deciding whether to extend credit or enter into other transactions with customers, we rely on information furnished to us by or on behalf of customers. We may also rely on certain representations from our customers as to the accuracy and completeness of that information. For ascertaining the creditworthiness we do not obtain any independent support from credit information companies or credit bureaus and on independent valuers in relation to the value of the net worth of such parties. Our reliance on any misleading information given may affect our judgment of credit worthiness of potential customers, which may affect our business, prospects, results of operations and financial condition.

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

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

- Make any Restricted Payments other than as permitted;
- Wind up/liquidate its affair;
- Change the general nature of its business or undertake any expansion or invest in any other entity;
- Effect any change in its accounting method or policies;
- Make any amendments to its constitutional documents

Also, we are required to obtain the required consents of the lenders before undertaking certain significant corporate actions. We cannot assure you that the lenders will grant the required approvals in a timely manner, or at all. The time required to secure consents may hinder us from taking advantage of a dynamic market environment. In addition to the restrictions listed above, we are required to maintain certain financial ratios under our financing agreements. These financial ratios and the restrictive provisions could limit our flexibility to engage in certain business transactions or activities.

17. All of our products are extremely competitive and we face risk of competition affecting our margins and profitability as we scale our operations.

Our purchase and sales models includes various intermediaries who may connect with our competitors and share details of the specialties of our products or our sourcing processes etc. We may not be able to protect our trade secrets and may not be able to detect the same as well. We have not entered into any non-disclosure agreements with our intermediaries and thus our efforts towards marketing of our products may be leaked to other players in the market. This may affect the demand and exclusivity of our products and make us subject to fierce competition thereby adversely affecting our business, financial condition and results of operations.



18. System failures or inadequacy and security breaches in computer systems may adversely affect our business.

Our business is increasingly dependent on our ability to process transactions and banking data into well managed accounts systems. Our financial, accounting or other data processing systems may fail to operate adequately or become disabled as a result of events that are wholly or partially beyond our control, including a disruption of electrical or communication services. Our ability to operate and remain competitive will depend in part on our ability to maintain and upgrade our information technology systems on a timely and cost-effective basis. The information available to and received by our management through our existing systems may not be timely and sufficient to manage risks or to plan for and respond to changes in market conditions and other developments in our operations.

We may experience difficulties in upgrading, developing and expanding our systems quickly enough to accommodate a growing customer base or product portfolio or supplier base. Any failure to effectively maintain or improve or upgrade our management information systems in a timely manner could materially and adversely affect our competitiveness, financial position and results of operations. Moreover, if any of these systems do not operate properly or are disabled or if there are other shortcomings or failures in our internal processes or systems, it could affect our operations or result in financial loss, disruption of our businesses, regulatory intervention or damage to our reputation.

19. Failure to manage our inventory could have an adverse effect on our net sales, profitability, cash flow and liquidity.

The results of operations of our business are dependent on our ability to effectively manage our inventory and stocks. To effectively manage our inventory, we must be able to accurately estimate customer demand and supply requirement accordingly. If our management has misjudged expected customer demand it could adversely impact the results by causing either a shortage of products or an accumulation of excess inventory.

20. Lack of experience in KMPs may adversely affect our business operations and profitability.

Being a small size company, we do not employ highly experienced KMPs. of our existing workforce as a result of increased competition or other factors relating to our businesses. If we cannot hire additional qualified personnel or retain them, our ability to expand our business will be impaired and our revenue could decline. We will need to recruit new employees, who will again have to be trained and integrated into our operations. Failure to train and motivate our key managerial personnel and other employees properly may result in an increase in employee attrition rates, require additional hiring, erode the quality of customer service, divert management resources, increase our exposure to high-risk credit and impose significant costs on us. Any cost incurred on the training of the key managerial personnel will put additional pressure on our financial condition and cash flows. Further, any inability to attract and retain talented employees or the resignation or loss of key management personnel, may have an adverse impact on our business, future financial performance and the price of our Equity Shares.

21. The deployment of funds raised through this issue shall not be subject to any Monitoring Agency and shall be purely dependent on the management of the company.

Since the issue size is less than ₹ 100 crores, there is no mandatory requirement of appointing an Independent Monitoring Agency for overseeing the deployment of utilization of funds raised through this Issue. The deployment of these funds raised through this issue, is hence at the discretion of the management and the Board of Directors of the company and will not be subject to monitoring by any independent agency. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials.

22. We have not made any alternate arrangements for meeting our regular working capital requirements. If our operations do not generate the necessary cash flow, our working capital requirements may negatively affect our operations and financial performance.

As on date, we have not made any alternate arrangements for meeting our working capital requirements. We meet our working capital requirements through our bank credit facilities, unsecured loans, owned funds and



internal accruals. Any shortfall in our available funds and our inability to raise debt 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.

23. *We could be exposed to risks arising from misconduct, fraud and trading errors by our employees and Business Associates.*

Frauds or other delinquencies by employees could include indulging in transactions that exceed authorized limits or present unacceptable risks to us; hiding unauthorized or unsuccessful trading activities from us; or the improper use of confidential information. Such misconduct could result in unacceptable business risks, losses, invite regulatory sanctions and seriously harm our reputation and could even lead to litigation. The precautions we take to prevent and detect these activities may not be effective. Any delinquencies or trading errors on the part of our employees could materially affect our business operations, financial position and/or reputation.

24. *Our Company has no insurance coverage and we are not protected against all material hazards, which may adversely affect our business, results of operations and financial condition.*

Our business and assets could suffer damage from fire, natural calamities, misappropriation or other causes, resulting in losses, which may not be compensated by insurance as our company has no insurance coverage. If our Company suffers a large uninsured loss, our business, financial condition and results of operations may be adversely affected.

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

Our Promoter and Directors may be deemed to be interested to the extent of the Equity Shares held by them, or their relative and benefits deriving from their directorship and shareholding in our Company. Our Promoter are interested in the transactions entered into between our Company and themselves as well as between our Company. For further details, please refer to the chapters titled “*Our Business*” and “*Our Promoter and Promoter Group*”, beginning on page nos. 73 and 107 respectively and *Annexure XXII - Related Party Transactions* under chapter titled “*Financial Statements as Restated*” beginning on page no. 113 of this Draft Prospectus.

26. *Our financial condition could be affected if any of the customers of the Company does not honor the payment terms, makes any delay or default in the outstanding payments.*

Our Company derives a significant portion of income from a limited number of customers. The percentage of sales derived from our company’s top 10 customer ₹ 1,999.97 lakhs and ₹ 11,346.49 Lacs which are approximately 81.64% and 51.46% each respectively of our total sales for six financial year ended 2018 and financial year ended 2017 respectively. Thus, we are exposed to payment delays and/or defaults by our customers and our financial position and financial performance are dependent on the creditworthiness of our customers. There is no guarantee that all or any of our customers will honor their outstanding amounts in time and whether they will be able to fulfill their obligations, due to any financial difficulties, cash flow difficulties, deterioration in their business performance, or a downturn in the global economy. If such events or circumstances occur from all or any of our major customer, our financial performance and our operating cash flows may be adversely affected.

27. *We derive majority of our income from our customers within India. Therefore, factors that adversely affect the demand for our products in India may adversely affect our business.*

We have in the past derived and believe that we will continue to derive, a significant portion of our income from our customers within India. In addition, all of our employees are based in India. Consequently, factors that adversely affect the Indian economy or the demand for our products within India, may adversely affect our business and profitability.



28. 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.

29. We are subject to risks arising from foreign exchange rate fluctuations, which could adversely affect our financial condition.

We import goods traded by us from foreign suppliers. Since the cost of these goods are denominated in foreign currency, our inability to hedge foreign exchange risk could adversely affect our financial condition and operations. We currently have not entered into any hedging transactions and may not assure you that we will be able to enter into any such hedging contracts or other financial arrangements on commercially reasonable terms, or that any of such agreements will protect us fully against our foreign currency risk. Any fluctuation in values of foreign currency may have an adverse effect on our business, prospects, financial condition and results of operations.

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

The current Issue includes fresh issue of Equity Shares and Offer for Sale by our Promoter and Promoter Group.

Our Promoter and Promoter Group may beneficially own approximately 73.21% of our post-Issue equity share capital. As a result, the Promoter Group may have the ability to control our business including matters relating to any sale of all or substantially all of our assets, the timing and distribution of dividends and the election or termination of appointment of our officers and directors. This control could delay, defer or prevent a change in control of the Company, impede a merger, consolidation, takeover or other business combination involving the Company, or discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of the Company even if it is in the Company's best interest. In addition, for so long as the Promoter Group continues to exercise significant control over the Company, they may influence the material policies of the Company in a manner that could conflict with the interests of our other shareholders. The Promoter Group may have interests that are adverse to the interests of our other shareholders and may take positions with which our other shareholders do not agree.

31. We will not receive any proceeds from the Offer for Sale. The Selling Shareholder will receive the entire proceeds from the Offer for Sale.

This Issue includes an Offer for Sale of 24,00,000 Equity Shares by the Selling Shareholder, Mrs. Tina Gandhi. The entire proceeds from the Offer for Sale will be paid to the Selling Shareholder and we will not receive any such proceeds. For further details, refer Chapter titled "*Capital Structure*" and "*Objects of the Issue*" on pages 44 and 53, respectively of this Draft Prospectus.

32. Our revenues and profits are dependent on several factors. Any adverse change in these factors or in combination of these factors may affect our business operations and the financial condition and consequently, our ability to pay dividends.

Our revenues and profits are dependent on several factors such as retaining our key managerial personnel, our complying with laws, managing costs and expenses, maintaining adequate inventory levels and general market conditions. Any adverse change in these factors or a combination of these factors may adversely affect our business operations and the financial condition. Further, our ability to pay dividends will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditures, lender's approvals



and other factors. Therefore, although, we have consistently maintained the profit levels and reserves, there can be no assurance that we shall have distributable funds or that we will declare dividends.

33. *We face competition from large established players and niche players as well.*

Our Industry is fragmented consisting of large established players and small niche players. We compete with organized as well as unorganized sector on the basis of availability of product, product quality and product range. Further, there are no entry barriers in this industry and any expansion in capacity of existing manufacturers would further intensify competition.

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

The success of our business will largely depend on our ability to effectively implement our business and growth strategy. In the past we have generally been successful in execution of our business but there can be no assurance that we will be able to execute our strategy on time and within the estimated budget in the future. If we are unable to implement our business and growth strategy, this may have an adverse effect on our business, financial condition and results of operations.

RISK FACTORS RELATED TO EQUITY SHARES

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

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

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

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

- Volatility in the Indian and other Global Securities Markets;
- The performance of the Indian and Global Economy;
- Risks relating to our business and industry, including those discussed in this Draft Prospectus;
- Strategic actions by us or our competitors;
- Investor perception of the investment opportunity associated with the Equity Shares and our future performance;
- Adverse media reports about us, our shareholders or Group Companies;
- Future sales of the Equity Shares;
- Variations in our quarterly results of operations;
- Differences between our actual financial and operating results and those expected by investors and analysts;
- Our future expansion plans;

- Perceptions about our future performance or the performance of Iron & Steel Trading companies generally;
- Performance of our competitors in the Indian Iron & Steel Trading Industry and the perception in the market about investments in the Iron & Steel Trading sector;
- Significant developments in the regulation of the Iron & Steel Trading Industry in our key locations;
- Changes in the estimates of our performance or recommendations by financial analysts;
- Significant developments in India's economic liberalization and deregulation policies; and

EXTERNAL RISK FACTORS

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

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

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

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes, including the instances mentioned below, may adversely affect our business, results of operations, financial condition and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy.

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

A majority of the provisions and rules under the Companies Act, 2013 have recently been notified and have come into effect from the date of their respective notification, resulting in the corresponding provisions of the Companies Act, 1956 ceasing to have effect. The Companies Act, 2013 has brought into effect significant changes to the Indian company law framework, such as in the provisions related to issue of capital, disclosures in Draft Prospectus, corporate governance norms, audit matters, related party transactions, introduction of a provision allowing the initiation of class action suits in India against companies by shareholders or depositors, a restriction on investment by an Indian company through more than two layers of subsidiary investment companies (subject to certain permitted exceptions), prohibitions on loans to directors and insider trading and restrictions on directors and key managerial personnel from engaging in forward dealing. Further, companies meeting certain financial thresholds are also required to constitute a committee of the board of directors for corporate social responsibility activities and ensure that at least 2% of the average net profits of the company during three immediately preceding financial years are utilized for corporate social responsibility activities. Penalties for instances of non-compliance have been prescribed under the Companies Act, 2013, which may result in inter alia, our Company, Directors and key managerial employees being subject to such penalties and formal actions as prescribed under the Companies Act, 2013, should we not be able to comply with the provisions of the New Companies Act within the prescribed timelines, and this could also affect our reputation.

To ensure compliance with the requirements of the Companies Act, 2013 within the prescribed timelines, we may need to allocate additional resources, which may increase our regulatory compliance costs and divert



management attention. While we shall endeavour to comply with the prescribed framework and procedures, we may not be in a position to do so in a timely manner.

The Companies Act, 2013 introduced certain additional requirements which do not have corresponding equivalents under the Companies Act, 1956. Accordingly, we may face challenges in interpreting and complying with such provisions due to limited jurisprudence on them. In the event, our interpretation of such provisions of the Companies Act, 2013 differs from, or contradicts with, any judicial pronouncements or clarifications issued by the Government in the future, we may face regulatory actions or we may be required to undertake remedial steps. Additionally, some of the provisions of the Companies Act, 2013 overlap with other existing laws and regulations (such as the corporate governance norms and insider trading regulations). We may face difficulties in complying with any such overlapping requirements. Further, we cannot currently determine the impact of provisions of the Companies Act, 2013, which are yet to come in force. Any increase in our compliance requirements or in our compliance costs may have an adverse effect on our business and results of operations.

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

Our Company is subject to various regulations and policies. For details see section titled “*Key Industry Regulations and Policies*” beginning on page no. 84 of this Draft Prospectus. Our business and prospects could be materially adversely affected by changes in any of these regulations and policies, including the introduction of new laws, policies or regulations or changes in the interpretation or application of existing laws, policies and regulations. There can be no assurance that our Company will succeed in obtaining all requisite regulatory approvals in the future for our operations or that compliance issues will not be raised in respect of our operations, either of which could have a material adverse affect on our business, financial condition and results of operations.

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

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

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

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

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

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

The Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, especially in the United States of America or Europe, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors’ reactions to any significant developments in one country can have adverse effects on the financial and market



conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets.

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

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

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



SECTION IV- INTRODUCTION

SUMMARY OF FINANCIAL INFORMATION

STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED

(₹ in lakhs)

Particulars	As at September 30, 2018	As at March 31,		
		2018	2017	2016
EQUITY AND LIABILITIES				
Shareholder's funds				
a) Share Capital	2,000.00	2,000.00	2,000.00	2,000.00
b) Reserves and surplus	179.54	126.35	63.57	32.17
Non-current liabilities				
a) Long term borrowings	319.78	245.12	361.27	111.44
b) Deferred Tax Liabilities (Net)	1.43	1.05	0.47	-
Current liabilities				
a) Short-term borrowings	288.40	293.43	-	1.38
b) Trade payables	2,819.86	3,054.71	4,330.28	3,343.01
c) Other current liabilities	866.94	83.61	81.94	741.03
d) Short-term provisions	24.19	32.61	5.72	15.84
TOTAL	6,500.17	5,836.89	6,843.25	6,244.86
ASSETS				
Non - Current Assets				
a) Fixed Assets				
i.) Tangible assets	47.28	49.69	41.94	39.51
ii) Intangible Assets	-	-	-	-
iii) Capital Work in Progress	-	-	-	-
b) Non Current Investment	10.45	10.45	-	-
c)Deferred Tax Assets	-	-	-	0.08
d) Long term loans & Advances	13.00	13.00	13.00	0.50
Current Assets				
a) Inventories	294.96	387.17	163.37	-
b) Trade Receivables	5,692.14	5,248.34	6,483.82	6,187.72
c) Cash and Cash equivalents	48.38	88.95	27.97	14.56
d) Short-term loans and advances	1.55	1.05	1.65	2.49
e) Other Current Assets	392.41	38.24	111.50	-
TOTAL	6,500.17	5,836.89	6,843.25	6,244.86

**STATEMENT OF PROFIT AND LOSS ACCOUNT, AS RESTATED***(₹ in lakhs)*

Particulars	As at September 30, 2018	As at March 31,		
		2018	2017	2016
REVENUE:				
Revenue from Operations	15,208.01	26,949.04	22,048.78	47,100.88
Other Income	0.67	23.02	0.10	-
Total revenue	15,208.68	26,972.06	22,048.88	47,100.88
EXPENSES:				
Cost of Material Consumed	14,929.38	26,813.48	21,904.89	46,679.18
Changes in Inventory	92.21	(223.80)	(163.37)	-
Employee Benefit Expenses	26.49	55.57	42.93	45.25
Financial Cost	48.98	81.68	132.49	42.56
Depreciation & Amortisation cost	3.14	6.05	5.49	2.96
Other Expenses	30.61	142.98	79.74	293.85
Total expenses	15,130.82	26,875.96	22,002.18	47,063.81
Exceptional and prior period items	-	-	-	-
Net Profit / (Loss) before Tax	77.86	96.10	46.70	37.07
Less: Provision for Tax				
(a) Current Tax	24.28	32.74	14.76	16.16
(b) Deferred Tax	0.38	0.59	0.54	1.43
Total	24.66	33.32	15.30	17.59
Net Profit / (Loss) for the period after tax but before extra ordinary items	53.20	62.78	31.40	19.48
Extraordinary Items	-	-	-	-
Net Profit / (Loss) for the period after tax and after extra ordinary items available for appropriation	53.20	62.78	31.40	19.48



CASH FLOW STATEMENT, AS RESTATED

(₹ in lakhs)

Particulars	As at September 30, 2018	As at March 31,		
		2018	2017	2016
Cash Flow From Operating Activities				
Net Profit Before Tax	77.86	96.10	46.70	37.07
Adjustments for :				
Depreciation/Amortisation	3.14	6.05	5.49	2.96
Interest Received	(0.33)	(0.63)	(0.10)	-
Interest Paid	43.25	61.65	128.47	42.20
Operating Profit Before Working Capital Adjustment	123.92	163.17	180.57	82.22
Adjustment for Changes in Working Capital				
Trade and other payable	(234.85)	(1,275.57)	987.27	2,138.39
Other Current Liabilities	783.33	1.67	(659.09)	734.74
Short-term provisions	(8.42)	26.89	(10.11)	7.45
Inventories	92.21	(223.80)	(163.37)	-
Trade and other Recievables	(443.81)	1,235.48	(296.10)	(4,985.71)
Short Term Loans & Advances	(0.50)	0.61	0.84	(2.49)
Other Current Assets	(354.17)	73.26	(111.50)	1.03
Long term loans & advances	-	-	(12.50)	(0.50)
Cash Flow Generated from Operations	(42.27)	1.70	(83.99)	(2,024.87)
Income Tax Paid	24.28	32.74	14.76	16.16
Net Cash flow from Operating activities (A)	(66.56)	(31.04)	(98.75)	(2,041.03)
Cash Flow From Investing Activities				
(Purchase)/Sale of Fixed Assets	(0.73)	(13.81)	(7.91)	(42.48)
(Purchase) / Sale of Investments	-	(10.45)	-	-
Investment in Fixed Deposit	(0.33)	(24.80)	(12.78)	-
Interest Received	0.33	0.63	0.10	-
Net Cash Flow from Investing Activities(B)	(0.73)	(48.43)	(20.59)	(42.48)
Cash Flow From Financing Activities				
Proceeds from/ (Repayment of) Borrowing	74.66	(116.14)	249.83	111.41
Short term borrowings from banks	(5.03)	293.43	(1.38)	1.38
Proceeds from Share Capital (including Share Premium)	-	-	-	1,999.00
Interest Paid	(43.25)	(61.65)	(128.47)	(42.20)
Net Cash Flow From Financing Activities (C)	26.38	115.64	119.98	2,069.60
Net Increase/ (Decrease) in Cash and Cash Equivalents (A + B + C)	(40.91)	36.18	0.64	(13.91)
Cash & Cash equivalent at the beginning of the year	51.38	15.20	14.56	28.48
Cash & Cash Equivalent at the end of the year	10.47	51.38	15.20	14.56

Cash and cash equivalents comprise of:

(₹ in lakhs)

Particulars	As at September 30, 2018	As at March 31,		
		2018	2017	2016
Cash-in-Hand	9.33	1.47	3.55	0.04
Balance with Banks	1.14	49.91	11.64	14.52
Total	10.47	51.38	15.20	14.56

Note: The cash flow statement has been prepared on the basis of restated statement of profit & loss and balance sheet



THE ISSUE

PRESENT ISSUE IN TERMS OF THIS DRAFT PROSPECTUS

Equity Shares⁽¹⁾ : Present Issue of Equity Shares by our Company and the Selling Shareholders ⁽²⁾	64,40,000 Equity Shares of ₹ 10 each for cash at a price of [●] per share aggregating to [●] lakhs.
Consisting Of:	
Fresh Issue	40,40,000 Equity Shares of ₹ 10 each for cash at a price of [●] per share aggregating [●] lakhs
Offer for Sale⁽²⁾	24,00,000 Equity Shares of ₹ 10 each for cash at a price of [●] per share aggregating [●] lakhs
Which Comprises:	
Issue Reserved for the Market Maker	3,60,000 Equity Shares of ₹ 10 each for cash at a price of ₹ [●] per share aggregating ₹ [●] lakhs
Net Issue to the Public	60,80,000 Equity Shares of ₹ 10 each for cash at a price of [●] per share aggregating [●] lakhs
	Of Which⁽³⁾:
	30,40,000 Equity Shares of ₹ 10 each at a price of [●] per Equity Share will be available for allocation for Investors of up to ₹ 2.00 lakhs
	30,40,000 Equity Shares of ₹ 10 each at a price of [●] per Equity Share will be available for allocation for Investors of above ₹ 2.00 lakhs
Equity Shares outstanding prior to the Issue	2,00,00,000 Equity Shares
Equity Shares outstanding after the Issue	2,40,40,000 Equity Shares
Objects of the Issue	Please see the chapter titled “ <i>Objects of the Issue</i> ” beginning on page no. 53 of this Draft Prospectus

⁽¹⁾ This issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time and Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post-Issue paid-up equity share capital of our Company are being offered to the public for subscription. For further details, please see the section titled “Issue Related Information” beginning on page no. 164 of this Draft Prospectus.

⁽²⁾ The present Issue has been authorized pursuant to a resolution of February 06, 2019 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 with a shorter notice on February 08, 2019.

The Offer for Sale of 24,00,000 Equity Shares by Mrs. Tina Gandhi, the Selling Shareholder, has been authorised vide consent letter dated February 06, 2019.

⁽³⁾ The allocation’ is the net issue to the public category shall be made as per the requirements of Regulation 253(2) of SEBI (ICDR) Regulations, as amended from time to time:

- a. Minimum fifty percent to retail individual investors; and remaining to:
 - i. Individual applicants other than retail individual investors; and
 - ii. Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;

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



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

For further details please refer to the chapter titled “Issue Structure” beginning on page no. 170 this Draft Prospectus.



GENERAL INFORMATION

Our Company was incorporated as “Pentech Metals Private Limited” on October 09, 2014 under the Companies Act, 2013 with the Registrar of Companies, Mumbai, Maharashtra bearing Registration No. 258618 and the certificate of incorporation was issued by the Registrar of Companies at Mumbai, Maharashtra. Our Company was converted into a public limited company pursuant to a special resolution passed by our Shareholders on January 28, 2019 and the name of our Company was changed to “Pentech Metals Limited”. Consequently, a fresh certificate of incorporation consequent upon change of name upon conversion into public company was issued by the RoC on February 06, 2019.

The Company’s Corporate Identity Number is U51909MH2014PLC258618.

For further details, please refer to the chapter titled “History and Certain Corporate Matters” beginning on page no. 92 of this Draft Prospectus.

BRIEF COMPANY AND ISSUE INFORMATION

Registered Office	Address: Office No.507, 5 th Floor, The Summit Business Bay, Andheri A. K. Road, Gondavali, Opp. Cinemax, Andheri, Mumbai – 400093, Maharashtra Tel No: +91 22 4283 8500 Email: info@ pentechmetals.co.in Website: www.pentechmetals.co.in
Godown Location	Gut no. 154 to 161 and 163 to 165, Wada Shahpur Road, Village Abitgarh, Taluka Wada, District Palghar – 421303
Date of Incorporation	October 10, 2014
Company Registration No.	258618
Company Identification No.	U51909MH2014PLC258618
Address of Registrar of Companies	Address: Registrar of Companies, 100, Everest, Marine Drive, Mumbai- 400002 Tel No.: 022 2281 2627/2202 0295/2284 6954 Fax No.: 022 2281 1977
Issue Programme	Issue Opens on: [●] Issue Closes on: [●]
Designated Stock Exchange	BSE Limited
Company Secretary & Compliance Officer	Ms. Surabhi Agrawal Address: Office No.507, 5th Floor, The Summit Business Bay, Andheri A. K. Road, Gondavali, Opp. Cinemax, Andheri, Mumbai – 400093, Maharashtra Tel No: +91 22 4283 8500 Email: info@ pentechmetals.co.in Website: www.pentechmetals.co.in

BOARD OF DIRECTORS OF OUR COMPANY

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

Name	Designation	Address	DIN
Mrs. Tina Gandhi	Managing Director	503, Palm Grove CHSL, Plot No.45, East Avenue Road, Santacruz (W), Mumbai - 400054	06909067
Mr. Sapan Kumar Paikray	Whole-time Director	Flat No. 104, First Floor, Sant Krupa Apartment, A Wing, Diva Shill Road, Diva (E), Thane - 400612	07582895
Mr. Girish Sangani	Non Executive Director	203, Rudraksh, Nariman Road, Opp. Nariman Tower, Vile Parle (E), Mumbai – 400057	05176671
Mr. Amit Sheth	Non Executive Independent Director	B – 55/56, Aashit Apts, Azad Road, Koliwada, Juhu, Mumbai - 400049	00092872
Mr. Vishal Mehta	Non Executive Independent Director	VIJ Kunj, Plot No. 281-301, Rsc 31, Gorai Sector 2, Borivali (W), Mumbai -400092	08356636

For further details pertaining to the educational qualification and experience of our Directors, for details please refer to the chapter titled “Our Management” beginning on page no. 95 of this Draft Prospectus.

Chief Financial Officer

Mr. Nikhil Chaudhari

Office No.507, 5th Floor, The Summit Business Bay, Andheri A. K. Road
Gondavali, Opp. Cinemax, Andheri, Mumbai – 400093, Maharashtra
Tel No: +91 22 4283 8500
Email: info@pentechmetals.co.in

Company Secretary and Compliance Officer

Ms. Surabhi Agrawal

Office No.507, 5th Floor, The Summit Business Bay, Andheri A. K. Road
Gondavali, Opp. Cinemax, Andheri, Mumbai – 400093, Maharashtra
Tel No: +91 22 4283 8500
Email: info@pentechmetals.co.in

Investor Grievances

Investors can contact the Compliance Officer, the Lead Manager or the Registrar to the Issue in case of any pre or Post-Issue related problems, such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary account and unblocking of funds.

All grievances relating to the ASBA process including UPI may be addressed to the Registrar to the Issue, with a copy to the Designated Intermediary with whom the ASBA Form was submitted, giving full name of the sole or First Applicant, ASBA Form number, Applicant’s DP ID, Client ID, PAN, number of Equity Shares applied for, date of submission of ASBA Form, address of Applicant, the name and address of the relevant Designated Intermediary, where the ASBA Form was submitted by the Applicant, ASBA Account number (for Applicants other than RIIs bidding through the UPI mechanism) in which the amount equivalent to the Application Amount was blocked or UPI ID in case of RIIs bidding through the UPI mechanism. Further, the Applicant shall enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents or information mentioned hereinabove.

Additionally, Applicants may also contact the Lead Manager for redressal of complaints. All complaints, queries or comments received by SEBI shall be forwarded to the Lead Manager, who shall respond to such complaints, queries or comments.

DETAILS OF KEY INTERMEDIARIES PERTAINING TO THIS ISSUE AND OUR COMPANY

LEAD MANAGER TO THE ISSUE



ARYAMAN FINANCIAL SERVICES LIMITED

60, Khatau Building, Gr. Floor
Alkesh Dinesh Modi Marg, Opp. P.J. Tower (BSE Bldg.)
Fort, Mumbai – 400 001
Tel. No.: +91 22 6216 6999

Website: www.afsl.co.in

Email: ipo@afsl.co.in

Investor Grievance Email: feedback@afsl.co.in

Contact Person: Ms. Namrata Ravasia / Mr. Linesh Pobaru

SEBI Registration No.: INM000011344

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
Tel: +91 22 6263 8200

Email: ipo@bigshareonline.com

Website: www.bigshareonline.com

Investor Grievance Email: investor@bigshareonline.com;

Contact Person: Mr. Babu Raphael

SEBI Registration No.: INR000001385

LEGAL COUNSEL TO THE ISSUE

M/s. KANGA & CO. (ADVOCATE AND SOLICITORS)

Readymoney Mansion
43, Veer Nariman Road, Fort
Mumbai - 400 001

Tel No.: +91 22 6623 0000, +91 22 6623 2288

Email: chetanthakkar@kangacompany.com

Website: www.kangacompany.com

Contact Person: Mr. Chetan Thakkar

STATUTORY AUDITOR OF THE COMPANY
M/S. V. J. SHAH & CO., Chartered Accountants

401- 406, K Building, 24, Walchand Hirachand Marg
Ballard Estate, Mumbai – 400 001

Tel No.: +91 22 2266 6363 / 4096 6263

Email: info@vjshahco.com

Website: www.vjshahco.com

Contact Person: Mr. Virag M Shah

Peer Review No.: 010845

Membership No.: 132669

Firm Registration No.: 109823W

CHANGES IN THE AUDITORS

Except as disclosed below, there has been no change in the statutory auditors during the three years immediately preceding the date of this Draft Prospectus:

Sr. No.	Date	From	To	Reason for change
1.	September 24, 2018	M/s. RSRV & Associates 201/301/302, Apollo Arcade, R.K. Singh Marg, Near Sona Udhyog, Off Old Nagardas Road, Andheri East, Mumbai - 400069 Tel No.: +91 4211 7900 Fax No.: +91 22 6699 0031 Email: sharmaca34@yahoo.com Contact Person: Mr. R.S. Sharma Peer Review No.: N. A. Membership No.: 049286	M/s. V. J. SHAH & CO. 401- 406, K Building, 24, Walchand Hirachand Marg, Ballard Estate, Mumbai – 400 001 Tel No.: +91 22 2266 6363 / 4096 6263 Email: info@vjshahco.com Website: www.vjshahco.com Contact Person: Mr. Virag M Shah Peer Review No.: 010845	Resignation



		Firm Registration No.: 115691W	Membership No.: 132669 Firm Registration No.: 109823W	
--	--	---------------------------------------	--	--

BANKER TO OUR COMPANY

[•]

BANKER TO THE ISSUE & SPONSOR BANK

[•]

DESIGNATED INTERMEDIARIES:

SELF CERTIFIED SYNDICATE BANKS

The lists of banks that have been notified by SEBI to act as SCSB for the Applications Supported by Blocked Amount (ASBA) Process are provided on the website of SEBI on <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34> or such other websites as updated or prescribed by SEBI from time to time. For details on Designated Branches of SCSBs collecting the Application Forms from the Applicants and Designated Intermediaries, please refer to the above mentioned SEBI link.

SYNDICATE SCSB BRANCHES

In relation to Applications submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Application Forms from the members of the Syndicate is available on the website of SEBI (<http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>) and updated from time to time. For more information on such branches collecting Application Forms from the members of Syndicate at Specified Locations, see the website of SEBI (<http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>).

REGISTERED BROKERS

Applicants can submit ASBA Forms in the Issue using the stock brokers network of the Stock Exchanges, i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of BSE and NSE at http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expandable=3 and, https://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm respectively, or such other website as updated from time to time.

REGISTRAR TO ISSUE AND SHARE TRANSFER AGENTS

The list of the RTAs eligible to accept Application forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the websites the BSE and NSE at <http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6> and http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, respectively, or such other websites as updated from time to time.

BROKER CENTRES/ DESIGNATED CDP LOCATIONS/ DESIGNATED RTA LOCATIONS

In accordance with SEBI Circulars CIR/CFD/14/2012 dated October 4, 2012 and CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, Applicants can submit Application Forms with the Registered Brokers at the Broker Centres, CDPs at the Designated CDP Locations or the CRTAs at the Designated RTA Locations, respective lists of which, including details such as address and telephone number, are available at the websites of the Stock Exchanges



at www.bseindia.com and www.nseindia.com. The list of branches of the SCSBs at the Broker Centres, named by the respective SCSBs to receive deposits of the Application Forms from the Registered Brokers will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

MONITORING AGENCY

As per Regulation 262(1) of the SEBI (ICDR) Regulations, 2018 the requirement of Monitoring Agency is not mandatory if the issue size is below ₹ 10,000 lakhs and hence our Company has not appointed a monitoring agency for this Issue. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

IPO GRADING

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

REGISTERED BROKERS

In terms of SEBI circular no. CIR/CFD/14/2012 dated October 4, 2012, Applicants can submit Application Forms in the Issue using the stock brokers network of the BSE SME i.e., through the Registered Brokers at the Broker Centers.

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the website of BSE. The details of the Broker Centers of the Registered Brokers will be available on the website of SEBI.

REGISTRAR AND SHARE TRANSFER AGENTS

In terms of SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, Applicants can submit Application Forms with RTAs who are registrars and transfer agents registered with SEBI and have furnished their details to BSE for acting in such capacity.

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 BSE.

TRUSTEES

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

DETAILS OF THE APPRAISING AUTHORITY

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

CREDIT RATING

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

EXPERT OPINION

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

Our Company has received written consent from the Statutory Auditor namely, M/s. V. J. Shah & Co., Chartered Accountants, to include their name in respect of the reports on the Restated Financial Statements dated February 18, 2019 and the Statement of Tax Benefits dated February 18, 2019, issued by them and included in this Draft 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 Draft Prospectus.

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

FILING OF OFFER DOCUMENT

The Draft Prospectus has not been filed with SEBI, nor has SEBI issued any observation on the Offer Document in terms of Regulation 246 of SEBI (ICDR), 2018. However, pursuant to sub regulation (5) of regulation 246, the copy of Draft 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 www.sebi.gov.in A copy of the Prospectus along with the documents required to be filed under Section 26 and 28 of the Companies Act, 2013 will be delivered to the Registrar of Company, Mumbai, Maharashtra, situated at Registrar of Companies, 100, Everest, Marine Drive, Mumbai- 400002.

ISSUE PROGRAMME

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

Event	Indicative Date
Issue Opening Date	[●]
Issue Closing Date	[●]
Finalisation of Basis of Allotment with the Designated Stock Exchange	[●]
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	[●]
Credit of Equity Shares to demat accounts of Allottees	[●]
Commencement of trading of the Equity Shares on the Stock Exchange	[●]

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

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

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



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

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or the electronic Application Form, for a particular Applicant, the details as per the file received from the Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-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 SCSB or the member of the Syndicate for rectified data.

FIXED PRICE ISSUE PROCEDURE

The Issue is being made in compliance with the provisions of Chapter IX of the SEBI ICDR Regulations, 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 is being offered to Other Investors including QIBs and Non-Institutional Applicants.

However, in case of under-subscription in either category, unsubscribed portion shall be allocated to investors in other category subject to valid Applications being received from them at the Issue Price.

Subject to the valid Applications being received at the Issue Price, allotment to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Individual Investors Category where Allotment to each Retail Individual Applicants shall not be less than the minimum lot, subject to availability of Equity Shares in Retail Individual Investors Category, 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 the Equity Shares will be Allotted to all successful Applicants only in dematerialised form. It is mandatory to furnish the details of Applicant's depository account along with Application Form. The Application Forms which do not have the details of the Applicants' depository account, including the DP ID Numbers and the beneficiary account number shall be treated as incomplete and rejected. Application Forms which do not have the details of the Applicants' PAN, (other than Applications made on behalf of the Central and the State Governments, residents of the state of Sikkim and official appointed by the courts) shall be treated as incomplete and are liable to be rejected. Applicants will not have the option of being Allotted Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in the dematerialised segment of the Stock Exchanges.

UNDERWRITING

This Issue is 100% Underwritten. Our Company and the Selling Shareholder have entered into an Underwriting Agreement dated February 09, 2019 with the Underwriters for the Equity Shares proposed to be offered through the Issue. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein. The Underwriters have indicated their intention to underwrite the following number of specified securities being offered through this Issue:

Details of the Underwriters	No. of Shares Underwritten	Amt Underwritten (₹ in Lakhs)	% of the Total Issue Size Underwritten
Aryaman Financial Services Limited 60, Khatau Building, Gr. Floor Alkesh Dinesh Modi Marg Opp. P.J. Tower (BSE Bldg.), Fort Mumbai – 400 001 Tel. No.: +91 22 6216 6999 Email: ipo@afsl.co.in	Upto 60,80,000	[●]	94.41%



Details of the Underwriters	No. of Shares Underwritten	Amt Underwritten (₹ in Lakhs)	% of the Total Issue Size Underwritten
Aryaman Capital Markets Limited 60, Khatau Building, Gr. Floor, Alkesh Dinesh Modi Marg, Opp. P.J. Tower (BSE Bldg.), Fort, Mumbai – 400 001 Tel. No.: +91 22 6216 6999 Email: aryacapm@gmail.com	3,60,000	[●]	5.59%
Total	Upto 64,40,000	[●]	100.00%

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.

WITHDRAWAL OF THE ISSUE

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

MARKET MAKER



ARYAMAN CAPITAL MARKETS LIMITED

60, Khatau Building, Ground Floor, Alkesh Dinesh Modi Marg
Opp. P.J. Tower (BSE Building), Fort, Mumbai 400 001

Tel. No.: +91 22 6216 6999

Fax No.: +91 22 2263 0434

Email: aryacapm@gmail.com

Contact Person: Mr. Harshad Dhanawade

SEBI Registration No.: INZ000004739

Market Maker Reg. No.: SMMM0651421122012

Details of the Market Making Arrangement for this Issue

Our Company and the Lead Manager, have entered into an agreement dated February 09, 2019 with Aryaman Capital Markets Limited (“ACML”), a Market Maker registered with SME Platform of BSE in order to fulfil the obligations of Market Making

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

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

1. The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
2. The minimum depth of the quote shall be ₹ 1,00,000. However, the investors with holdings of value less than ₹ 1,00,000 shall be allowed to offer their holding to the Market Maker in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
3. The Inventory Management and Buying/Selling Quotations and its mechanism shall be as per the relevant circulars issued by SEBI and SME Platform of BSE from time to time.
4. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.
5. There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
6. The shares of the Company will be traded in continuous trading session from the time and day the company gets listed on SME Platform of BSE and Market Maker will remain present as per the guidelines mentioned under BSE and SEBI circulars.
7. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems or any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
8. The price band shall be 20% and the Market Maker Spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.
9. The Market Maker shall have the right to terminate the said arrangement by giving a three months notice or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker.

In case of termination of the above mentioned Market Making Agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations, 2018. Further the Company and the Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particular point of time.

10. **Risk containment measures and monitoring for Market Maker:** SME Platform of BSE will have all margins which are applicable on the BSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.
11. **Punitive Action in case of default by Market Maker:** SME Platform of BSE will monitor the obligations on a real-time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market



(offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

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.

12. **Price Band and Spreads:** SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to ₹ 25,000 lakhs, the applicable price bands for the first day shall be:
- In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
 - In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the issue price.
 - Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading.

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

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

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



CAPITAL STRUCTURE

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

(₹ in lakhs, except share data)

Sr. No.	Particulars	Aggregate Value at Nominal Value	Aggregate Value at Issue Price
A.	Authorised Share Capital		
	2,50,00,000 Equity Shares of face value of ₹ 10 each	2,500.00	
B.	Issued, Subscribed and Paid-up Share Capital before the Issue		
	2,00,00,000 Equity Shares of face value of ₹ 10 each	2,000.00	
C.	Present Issue in terms of this Draft Prospectus⁽¹⁾		
	Issue of 64,40,000 Equity Shares of ₹ 10 each at a price of [●] per equity Share	644.00	[●]
	Consisting of:		
	Fresh Issue of 40,40,000 Equity Shares of ₹ 10 each for cash at a price of [●] per share	404.00	[●]
	Offer for Sale of 24,00,000 Equity Shares of ₹ 10 each for cash at a price of [●] per share ⁽²⁾	240.00	[●]
	Which comprises:		
	3,60,000 Equity Shares of ₹ 10 each at a price of ₹ [●] per Equity Share reserved as Market Maker Portion	36.00	[●]
	Net Issue to Public of 60,80,000 Equity Shares of ₹ [●] each at a price of [●] per Equity Share to the Public	608.00	[●]
	Of which⁽³⁾:		
	30,40,000 Equity Shares of ₹ 10 each at a price of [●] per Equity Share will be available for allocation for Investors of up to ₹ 2.00 lakhs	304.00	[●]
	30,40,000 Equity Shares of ₹ 10 each at a price of [●] per Equity Share will be available for allocation for Investors of above ₹ 2.00 lakhs	304.00	[●]
D.	Paid-up Equity Share Capital after the Issue		
	2,40,40,000 Equity Shares of ₹ 10 each		2,404.00
E.	Securities Premium Account		
	Before the Issue (as on date of this Draft Prospectus)		Nil
	After the Issue		[●]

⁽¹⁾ The present Issue has been authorized pursuant to a resolution of our Board dated February 06, 2019 and by Special Resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extra-Ordinary General Meeting of our shareholder held with a shorter notice on February 08, 2019.

⁽²⁾ The Offer for Sale of 24,00,000 Equity Shares by Mrs. Tina Gandhi, the Selling Shareholder, has been authorised vide consent letter dated February 06, 2019.

⁽³⁾ 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.



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

Our Company has only one class of Share Capital i.e. Equity Shares of ₹ 10 each

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

Changes in Authorized Share Capital

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

1. The initial authorised share capital of ₹ 5,00,00,000 divided into 50,00,000 Equity Shares of ₹ 10 each was increased to ₹ 20,00,00,000 divided into 2,00,00,000 Equity Shares of ₹ 10 each, pursuant to resolution of shareholders passed at the EGM held on April 27, 2015.
2. The authorised share capital of ₹ 20,00,00,000 divided into 2,00,00,000 Equity Shares of ₹ 10 each was increased to ₹ 25,00,00,000 divided into 2,50,00,000 Equity Shares of ₹ 10 each, pursuant to resolution of shareholders passed at the EGM held on February 08, 2019.

Notes to the Capital Structure

1) Share Capital History of our Company:

a) Equity Share Capital

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

Date of Allotment of Equity Shares	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Nature / Reason of Allotment	Nature of Consideration	Cumulative No. of Equity Shares	Cumulative Paid Up Share Capital (₹)	Cumulative Share Premium (₹)
October 09, 2014	10,000	10	10	Subscription to MoA ⁽¹⁾	Cash	10,000	1,00,000	-
October 20, 2015	1,58,61,500	10	10	Right Issue ⁽²⁾	Cash	1,58,71,500	15,87,15,000	-
March 09, 2016	41,28,500	10	10	Right Issue ⁽³⁾	Cash	2,00,00,000	20,00,00,000	-

Notes:

1. Initial allotment of 10 Equity Shares each to the subscribers to the MoA of the Company being Mrs. Tina Gandhi and Mrs. Bhoomika Gandhi.
2. Allotment of 63,81,500 equity shares to Mr. Kunal Gandhi and 94,80,000 equity shares to Mr. Kishor Gandhi under Right basis, for consideration financed through loans received. The relevant provisions of the Companies Act have been complied with w.r.t the Right Issue.
3. Allotment of 21,28,500 equity shares to Mr. Kunal Gandhi and 20,00,000 equity shares to Mr. Kishor Gandhi under Right basis for consideration financed through loans received. The relevant provisions of the Companies Act have been complied with w.r.t the Right Issue.

b) Our Company has not issued Equity Shares for consideration other than cash or out of Revaluation Reserves.

c) No shares have been allotted in terms of any scheme approved under sections 391-394 of the Companies Act, 1956 or Sections 230-234 of the Companies Act, 2013.



-
- d)* Our Company has not issued any shares pursuant to an Employee Stock Option Scheme.
 - e)* No shares have been issued at a price lower than the Issue Price within the last one year from the date of this Draft Prospectus.



f) Shareholding pattern of our Company

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

Category (I)	Category of Share- holder (II)	No. of Share-holder (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares Underlying Depository Receipts (VI)	Total Nos. Shares held (VII) = (IV) + (V) + (VI)	Share holding as a % of total No. of Shares (calculated As per SCRR, 1957)(VIII)As a % of (A+B+C2)	Number of Voting Rights held in each Class of securities (IX)				No of Underlying Outstanding Convertible securities (incl. Warrants) (X)	Share Holding as a % assuming Full convertible securities (as a % of Diluted Share Capital)(XI)=(VII)+(X) As a % of (A+B+C2)	Number of Locked In shares (XII)		No. of shares Pledged Or Otherwise encumbered (XIII)		No. of Equity shares held in De-mat form (XIV)
								No of voting Right			Total As a %of(A+B+C)			No(a)	As a %of total shares held (b)	No (a)	As a % of total shares held (b)	
								Class- Equity	Class	Total								
(A)	Promoter & Promoter Group	2	1,99,95,000	-	-	1,99,95,000	99.98%	1,99,95,000	-	1,99,95,000	99.98%	-	99.98%	-	-	-	-	1,99,90,000
(B)	Public	5	5,000	-	-	5,000	0.02%	5,000	-	5,000	0.02%	-	0.02%	-	-	-	-	-
(C)	Non Promoter Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares Underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	7	2,00,00,000	-	-	2,00,00,000	100.00%	2,00,00,000	-	2,00,00,000	100.00%	-	100.00%	-	-	-	-	1,99,90,000



- i. The list of Shareholders holding 1% or more of the paid-up Share Capital of our Company as on the date of this Draft Prospectus are:

Sr. No.	Particulars	No. of Shares	% of Shares to Pre – Issue Share Capital
1.	Mrs. Tina Gandhi	1,99,90,000	99.95%

- ii. The list of Shareholders holding 1% or more of the paid-up Share Capital of our Company ten days prior to date of this Draft Prospectus are:

Sr. No.	Particulars	No. of Shares	% of Shares to Pre – Issue Share Capital
1.	Mrs. Tina Gandhi	1,99,90,000	99.95%

- iii. The list of Shareholders holding 1% or more of the paid-up Share Capital of our Company one year prior to date of this Draft Prospectus are:

Sr. No.	Particulars	No. of Shares	% of Shares to Pre – Issue Share Capital
1.	Mrs. Tina Gandhi	1,99,95,000	99.98%

- iv. The list of Shareholders holding 1% or more of the paid-up Share Capital of our Company two years prior to date of this Draft Prospectus are:

Sr. No.	Particulars	No. of Shares	% of Shares to Pre – Issue Share Capital
1.	Mrs. Tina Gandhi	1,99,95,000	99.98%

- g) Except as disclosed in the Draft Prospectus, our Company presently does not have any intention or proposal to alter its capital structure for a period of six months commencing from the date of opening of this Issue, by way of split / consolidation of the denomination of Equity Shares or further issue of Equity Shares or securities convertible into Equity Shares, whether on a preferential basis or issue of bonuses or rights or further public issue of specified securities or Qualified Institutional Placement.

h) Shareholding of our Promoter

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

Date of Allotment / Transfer	Nature of Transaction	Consideration	No. of Shares	F.V (₹)	Issue / Transfer Price (₹)	Cumulative no. of Shares	% of Pre-Issue Paid Up Capital	% of Post-Issue Paid Up Capital	Lock in Period
Mr. Tina Gandhi									
On Incorporation	Subscription to MOA	Cash	5,000 ⁽²⁾	10	10	5,000	0.03%	0.02%	3 Years
December 17, 2015	Transfer	Cash	49,15,410 ⁽²⁾	10	10	1,58,66,500	79.31%	65.98%	3 Years
			24,00,000 ⁽¹⁾						-
			85,46,090 ⁽²⁾						1 Year
March 20, 2016	Transfer	Cash	41,23,500 ⁽²⁾	10	10	1,99,95,000	20.64%	17.17%	1 Year
			5,000						-
December 28, 2018	Transfer	Cash	(5,000)	10	10	1,99,90,000	(0.03%)	(0.02%)	-

⁽¹⁾ Out of total holding of Mrs. Tina Gandhi, shares aggregating to 24,00,000 equity shares are offered for sale through this Draft Prospectus.

⁽²⁾ 49,20,410 Equity Shares of Mrs. Tina Gandhi have been earmarked for lock-in for a period of three years and remaining for a period of one year. However, the actual number of shares locked-in is liable to change after finalisation of the lot size, subject to minimum 20% of total lock-in as mandated by Regulation 238 of the SEBI (ICDR) Regulations, 2018 as amended.

Notes:

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

i) Our Company has seven (7) shareholders, as on the date of this Draft Prospectus.

j) Pre-Issue and Post Issue Shareholding of our Promoter and Promoter Group

i. Set forth is the shareholding of our Promoter and Promoter Group before and after the proposed Issue:

Category of Promoter	Pre Issue		Post Issue	
	No. of Shares	% of Pre-Issue Paid Up Capital	No. of Shares	% of Post-Issue Paid Up Capital
1. Promoter				
Mrs. Tina Gandhi	1,99,90,000	99.95%	1,75,90,000	73.17%
Total	1,99,90,000	99.95%	1,75,90,000	73.17%
2. Promoter Group (as defined by SEBI (ICDR) Regulations)				
Mr. Kunal Gandhi	5,000	0.03%	5,000	0.02%
Total Promoter & Promoter Group Holding	1,99,95,000	99.98%	1,75,95,000	73.19%
Total Paid up Capital	2,00,00,000	99.98%	1,75,95,000	73.19%

ii. Except as disclosed below, none of the members of the Promoter, Promoter Group, Directors and their immediate relatives have purchased or sold any Equity shares of our Company within the last six months from the date of the Draft Prospectus:

Date of Transfer	Name of Transferor	Name of Transferee	No. of Shares (F.V. ₹ 10)	Price (₹)	Nature of Transaction	Nature of Consideration
December 28, 2018	Mrs. Tina Gandhi	Mr. Saurabh Kedia	1,000	10	Transfer	Cash
		Mrs. Nidhi Kedia	1,000			
		Mr. Paban Kedia	1,000			
		Mr. Girish Sangani	1,000			
		Mrs. Hitaishee Sangani	1,000			

iii. None of the members of the Promoter Group, Directors and their immediate relatives have financed the purchase by any other person of Equity shares of our Company other than in the normal course of business of the financing entity within the period of six months immediately preceding the date of this Draft Prospectus.

k) **Promoter' Contribution and other Lock-In details:**

i. **Details of Promoter' Contribution locked-in for 3 years**

Pursuant to the Regulation 236 and 238 of the SEBI (ICDR) Regulations, an aggregate of 20% of the Post-Issue Equity Share Capital held by our Promoter shall be considered as promoter' contribution ("**Promoter' Contribution**") and locked-in for a period of three years from the date of Allotment. The lock-in of the Promoter' Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

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

Name of Promoter	No. of Shares locked in ⁽¹⁾	As a % of Post Issue Share Capital
Mrs. Tina Gandhi	Upto 49,20,410	20.47%
Total	Upto 49,20,410	20.47%

⁽¹⁾For details on the date of Allotment of the above Equity Shares, the nature of Allotment, face value and the price at which they were acquired, please refer Note no. 1(h) under "Notes to Capital Structure" on page no. 45 of this Draft Prospectus.

We confirm that in compliance with regulation 237 of SEBI ICDR Regulations, the minimum Promoter contribution of 20% as shown above which is subject to lock-in for three years does not consist of:

1. Equity Shares acquired during the preceding three years for consideration other than cash and out of revaluation of assets or capitalization of intangible assets or bonus shares out of revaluation reserves or reserves without accrual of cash resources.
2. Equity Shares acquired by the Promoter during the preceding one year, at a price lower than the price at which Equity Shares are being issued to public in the Issue.
3. The Equity Shares held by the Promoter and offered for minimum 20% Promoter' Contribution are not subject to any pledge.
4. Equity Shares for which specific written consent has not been obtained from the shareholders for inclusion of their subscription in the minimum Promoter' Contribution subject to lock-in.

We further confirm that our Promoter' Contribution of 20% of the Post Issue Equity does not include any contribution from Alternative Investment Funds.

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

- a) Pursuant to Regulation 238(b) of the SEBI (ICDR) Regulations, in addition to the Promoter' Contribution to be locked-in for a period of 3 years, as specified above, the entire Pre-Issue Equity Share capital will be locked in for a period of one (1) year from the date of Allotment in this Issue.
- b) Pursuant to Regulation 242 of the SEBI Regulations, the Equity Shares held by our Promoter can be pledged only with banks or financial institutions as collateral security for loans granted by such banks or financial institutions for the purpose of financing one or more of the objects of the issue and the pledge of shares is one of the terms of sanction of such loan. However, as on date of this Draft Prospectus, none of the Equity Shares held by our Promoter have been pledged to any person, including banks and financial institutions.
- c) Pursuant to Regulation 243 of the SEBI (ICDR) Regulations, Equity Shares held by our Promoter, which are locked in as per Regulation 238 of the SEBI (ICDR) Regulations, may be transferred to and amongst our Promoter/ Promoter Group or to a new promoter or persons in control of our Company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with

Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as applicable.

- d) Pursuant to Regulation 243 of the SEBI (ICDR) Regulations, Equity Shares held by shareholders other than our Promoter, which are locked-in as per Regulation 239 of the SEBI (ICDR) Regulations, may be transferred to any other person holding shares, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as applicable.
- l) Neither the Company, nor its Promoter, Directors or the Lead Manager have entered into any buyback and/or standby arrangements for purchase of Equity Shares of the Company from any person.
- m) None of our Directors or Key Managerial Personnel holds Equity Shares in the Company, except as stated in the chapter titled “*Our Management*” beginning on page no. 95 of this Draft Prospectus.
- n) 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 no. 173 of this Draft 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.
- o) An investor cannot make an application for more than the number of Equity Shares offered in this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.
- p) An over-subscription to the extent of 1% of the Net Issue can be retained for the purpose of rounding off to the nearest minimum Allotment lot during finalizing the allotment. Consequently, the actual allotment may go up by a maximum of 1% of the Net Issue, as a result of which, the post-issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoter and subject to lock-in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
- q) Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines
- r) No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoter to the persons who receive allotments, if any, in this Issue.
- s) As on date of this Draft Prospectus, there are no outstanding financial instruments or any other rights that would entitle the existing Promoter or shareholders or any other person any option to receive Equity Shares after the Issue.
- t) As on date of this Draft Prospectus, the entire issued share capital of our Company is fully paid-up. The Equity Shares issued through this Public Issue will be fully paid up.
- u) There shall be only one denomination of Equity Shares of our Company unless otherwise permitted by law. Our Company shall comply with disclosure and accounting norms as may be specified by SEBI from time to time.
- v) Since the entire application money is being called on application, all successful applications, shall be issued fully paid up shares only.
- w) We have not issued any Equity Shares out of revaluation reserves. We have not issued any Equity Shares for consideration other than cash except as stated in this Draft Prospectus.



-
- x) As on date of this Draft Prospectus, there are no outstanding ESOP's, warrants, options or rights to convert debentures, loans or other instruments convertible into the Equity Shares, nor has the company ever allotted any equity shares pursuant to conversion of ESOP's till date.
 - y) Our Company shall ensure that transactions in the Equity Shares by our Promoter and our Promoter Group between the date of this Draft Prospectus and the Issue Closing Date shall be reported to the Stock Exchange within 24 hours of such transaction.
 - z) Our Promoter and Promoter Group will not participate in the Issue.
 - aa) The Lead Manager and its associates do not directly or indirectly hold any shares of the Company.
 - bb) Our Company has not revalued its assets and we do not have any revaluation reserves till date.
 - cc) Our Company has not made any public issue (including any rights issue to the public) since its incorporation.



OBJECTS OF THE ISSUE

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

The Offer for Sale

Our Company will not receive any proceeds of the Offer for Sale by the Selling Shareholders

The Fresh Issue

The objectives of the issue are to raise funds for:

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

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

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

Issue Proceeds

Particulars	Amt. (₹ in lakhs)
Gross Proceeds from the Issue	[●]
Less: Issue Expenses	[●]
Net Proceeds from the Issue	[●]

Requirement of Funds and utilization of Issue proceeds

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

We intend to utilize the Net Proceeds of the Issue ("Net Proceeds") of ₹ [●] lakhs for financing the objects as set forth below:

Sr. No.	Particulars	Amt. (₹ in lakhs)
1.	Working Capital Requirements	750.00
2.	Funding expenditure for General Corporate Purposes	[●]
Total		[●]

** The above utilization of funds is expected to complete in FY 2018-19*

Means of Finance

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

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



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

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

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

For further details on the risks involved in our proposed fund utilization as well as executing our business strategies, please see “*Risk Factors*” beginning on page no. 17 of this Draft Prospectus.

Details of Fund Requirements

1. Working Capital Requirements

Our Company currently trades in iron and steel products which includes TMT bars, HR coils, HR sheets etc. The lead time for procuring the products is moderate and also in order to ensure readily available customized product along with a low lead time for our clients, we would be required to maintain moderate inventory levels. Further, we are required to provide sufficient credit period to our clients resulting in high receivables and we enjoy moderate to low credit from our suppliers through against the same so that we can ensure operating margins in the business.

We intend to increase our scale of operations for which we would be required to provide extended credit period to our customers, but the credit period that we avail from our suppliers shall not increase substantially and also inventory levels would increase. This would require us to have adequate working capital to ensure a smooth and uninterrupted flow of our business operations. Accordingly, we expect a further increase in the working capital requirements in view of current and potential business operations that we may undertake. Accordingly, we have proposed to use ₹ 750.00 lakhs out of the issue proceeds to meet the increase in working capital requirements.

The details of our Company’s expected working capital requirement as at March 31, 2019 is set out in the table below:

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

(₹ in lakhs)

Sr. No.	Particulars	Holding Levels (days)	Period ended March 31, 2018	Holding Levels (days)	For Fiscal 2018-19
I.	Current Assets:				
1.	Inventories	2.64	387.17	6.68	600.00
2.	Trade Receivables	35.61	5,248.34	40.06	4,500.00
3.	Cash & Cash Equivalents		51.37		100.00
	Total Current Assets (A)		5,686.88		5,200.00
II.	Current Liabilities				
1.	Trade Payables	19.44	2,847.89	10.57	950.00
2.	Other Current Liabilities		533.91		300.00



Sr. No.	Particulars	Holding Levels (days)	Period ended March 31, 2018	Holding Levels (days)	For Fiscal 2018-19
	Total Current Liabilities (B)		3,381.80		1,250.00
III.	Total Working Capital Gap (A – B)		2,305.08		3,950.00
IV.	Funding Pattern:				
1.	Working Capital Facilities from Banks		293.43 ⁽¹⁾		500.00
2.	Unsecured Loans		263.00		600.00
2.	Internal Accruals / Owned Funds		1,748.65		2,100.00
3.	Part of the Net proceeds to be utilised		-		750.00

⁽¹⁾ As per Audited Financials

Justification for holding period levels

Particulars	Details
Current Assets	
Inventories	We procure our raw material required for manufacturing of TMT bars in bulk in advance based on estimated requirement and for trading, we procure on order to order basis and these bring down our inventory levels. Hence we have estimated the inventory levels at an average 7 days.
Trade Receivables	Being a trading we normally provide goods on credit to our customers. Our sales collection tenures would differ from customer to customer. Hence we have estimated the trade receivable levels at an average of 40 days.
Current Liabilities	
Trade Payables	We have estimated the trade payable levels at an average of 11 days. By making early payments to the suppliers (i.e. availing lower credit periods), the company shall be able to get competitive prices for its products, thereby increasing the profitability of the Company. Thus the Company has estimated lower credit period which would in turn help in reducing the cost of goods sold and improve profitability margins.

2. General Corporate Purposes

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

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

ISSUE RELATED EXPENSES

The total estimated Issue Expenses are ₹ [●], which is [●] % of the total Issue Size. The details of the Issue Expenses are tabulated below:

Sr. No.	Particulars	Amount (₹ in lakhs)	% of Total Expenses	% of Total Issue size
1.	Issue Management fees including fees and reimbursements of Market Making fees (1 st year), and payment to other intermediaries such as Legal Advisors, Registrars and other out of pocket expenses.	[●]	[●]	[●]



Sr. No.	Particulars	Amount (₹ in lakhs)	% of Total Expenses	% of Total Issue size
2.	Brokerage and Selling Commission, Underwriting Commission, RTAs and CDPs ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾	[●]	[●]	[●]
3.	Advertisement, Printing & Stationery, Marketing Expenses, etc.	[●]	[●]	[●]
4.	Listing Fees, Market Regulatory & Other Expenses	[●]	[●]	[●]
Total		[●]	[●]	[●]

⁽¹⁾ The SCSBs and other intermediaries will be entitled to a commission of ₹ [●]/- per every valid Application Form submitted to them and uploaded on the electronic system of the Stock Exchange by them.

⁽²⁾ The SCSBs would be entitled to processing fees of ₹ [●] per Application Form, for processing the Application Forms procured by other intermediaries and submitted to the SCSBs.

⁽³⁾ Further the SCSBs and other intermediaries will be entitled to selling commission of [●]% of the Amount Allotted (product of the number of Equity Shares Allotted and the Issue Price) for the forms directly procured by them and uploaded on the electronic system of the Stock Exchange by them.

⁽⁴⁾ The payment towards commission and processing fees will be completed within 30 days from the date of receipt of final invoice from the respective entities.

Appraisal and Bridge Loans

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

Year wise Deployment of Funds / Schedule of Implementation

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

Monitoring of Utilization of Funds

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

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

Interim Use of Funds

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



Variation in Objects

In accordance with Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act. The notice in respect of such resolution to Shareholders shall simultaneously be published in the newspapers, one in English and one in Regional language of the jurisdiction where our Registered Office is situated. The Shareholders who do not agree to the above stated proposal, our Promoter or controlling Shareholders will be required to provide an exit opportunity to such dissenting Shareholders, at a price as may be prescribed by SEBI, in this regard.

BASIS FOR ISSUE PRICE

The Issue Price has been determined by our Company in consultation with the Lead Manager on the basis of the key business strengths. The face value of the Equity Shares is ₹ 10 and Issue Price is ₹ [●] per Equity Shares and is [●] times of the face value. Investors should read the following basis with the sections titled “Risk Factors” and “Financial Information” and the chapter titled “Our Business” beginning on page nos. 113 and 73 respectively, of this Draft Prospectus to get a more informed view before making any investment decisions. The trading price of the Equity Shares of Our Company could decline due to these risk factors and you may lose all or part of your investments.

Qualitative Factors

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

- Existing Supplier Relationship
- Experienced Management Team
- Existing Client Base
- Strong Balance Sheet and Financial Condition
- Optimal Utilization of Resources

For further details regarding some of the qualitative factors, which form the basis for computing the Issue Price, please see “Our Business – Our Strengths” on page no. 74 of this Draft Prospectus.

Quantitative Factors

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

1. Earnings per Share (EPS)

Particulars	Basic and Diluted EPS (in ₹)
For the period ended March 31, 2018*	0.31

*Not annualised

For the period ended September 30, 2018, EPS was ₹ 0.27 (not annualised)

Notes:

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

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

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

2. Price Earnings Ratio (P/E) in relation to the Issue price of ₹ [●] per share of ₹ 10 each

Particulars	
P/E ratio based on Basic and Diluted EPS as at March 31, 2018	[●]

Industry P/E	
Highest – Adhunik Industries Limited	24.5
Lowest – Prakash Industries Limited	2.3
Industry Average	8.0

(Source: Capital Market, Vol. XXXIII/26, February 11 – 24, 2019; Segment: Steel)

3. Return on Net Worth (RoNW)

For the period ended	RoNW (%)
For the Period Ended September 30, 2018	2.44%
For the Financial Year Ended March 31, 2018	2.95%

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

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

4. Minimum Return on Net Worth (RoNW) after the Issue needed to maintain the Pre – Issue Basic & Diluted EPS of ₹ 0.31 for the period ended March 31, 2018 (based on Restated Financials) at the Issue Price of ₹ [●] is [●] %.

5. Net Asset Value (NAV)

Financial Year	Standalone
NAV as at September 30, 2018	10.90
NAV as at March 31, 2018	10.63
NAV after Issue	[●]
Issue Price	[●]

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

$$\text{NAV} = \frac{\text{Net worth excluding preference share capital and revaluation reserve}}{\text{Outstanding number of Equity shares outstanding during the year / period}}$$

6. Comparison with Industry peers

Particulars	Face Value (₹)	EPS (₹)	P/E Ratio ⁽¹⁾	RONW (%)	NAV (₹)
Kanishk Steel Industries Limited	10.00	0.58	17.84	3.35%	16.58
Prakash Industries Limited	10.00	23.05	7.34	14.89%	165.40
Kamdhenu Limited	10.00	6.69	36.20	10.91%	61.37
<i>Source: Company Annual Reports for the F. Y. 2017-18</i>					
PENTECH METALS LIMITED	10.00	0.31	[●]	2.95%	10.63
<i>Source: Restated Financials as on March 31, 2018</i>					

¹ Based on Closing Price as on March 28, 2018.

7. The Company and the Selling Shareholder in consultation with the Lead Manager believes that the Issue price of ₹ [●] per share for the Public Issue is justified in view of the above parameters. The investors may also want to peruse the Risk Factors and Financials of the company including important profitability and return ratios, as set out in the Financial Statements included in this Draft Prospectus to have more informed view about the investment proposition. The Face Value of the Equity Shares is ₹ 10 per share and the Issue Price is [●] times of the face value i.e. ₹ [●] per share.



STATEMENT OF SPECIAL TAX BENEFIT

To
The Board of Directors,
Pentech Metals Limited
Office No.507, 5th Floor, The Summit Business Bay
Andheri, A.K Road, Opp. Cinemax, Gundavali
Andheri; Mumbai - 400093

Dear Sirs,

Sub: Statement of Possible Special Tax Benefits available to Pentech Metals Limited and its shareholders prepared in accordance with Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“SEBI Regulations”) and the Companies Act, 2013, as amended (the “Act”).

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

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

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

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

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

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



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

For V J Shah & Co.,
Chartered Accountants
(Firm Registration No. 109823W)

Vidyut Shah
Partner
Membership No: 033322

Place: Mumbai
Date: February 18, 2019



ANNEXURE TO THE STATEMENT OF TAX BENEFITS

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

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

A. SPECIAL TAX BENEFITS TO THE COMPANY

NIL

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER

NIL

Note:

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

SECTION V – ABOUT THE COMPANY

INDUSTRY OVERVIEW

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

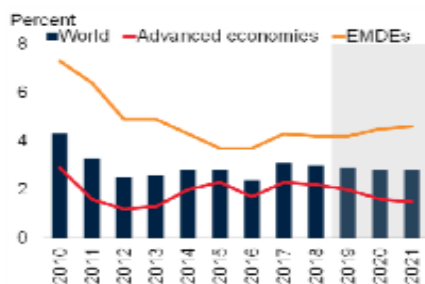
THE GLOBAL ECONOMY

Global growth is moderating as the recovery in trade and manufacturing activity loses steam. Despite ongoing negotiations, trade tensions among major economies remain elevated. These tensions, combined with concerns about softening global growth prospects, have weighed on investor sentiment and contributed to declines in global equity prices. Borrowing costs for emerging market and developing economies (EMDEs) have increased, in part as major advanced-economy central banks continue to withdraw policy accommodation in varying degrees. A strengthening U.S. dollar, heightened financial market volatility, and rising risk premiums have intensified capital outflow and currency pressures in some large EMDEs, with some vulnerable countries experiencing substantial financial stress. Energy prices have fluctuated markedly, mainly due to supply factors, with sharp falls toward the end of 2018. Other commodity prices—particularly metals—have also weakened, posing renewed headwinds for commodity exporters.

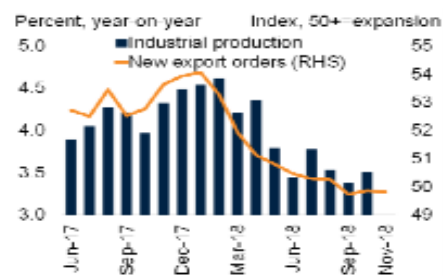
Economic activity in advanced economies has been diverging of late. Growth in the United States has remained solid, bolstered by fiscal stimulus. In contrast, activity in the Euro Area has been somewhat weaker than previously expected, owing to slowing net exports. While growth in advanced economies is estimated to have slightly decelerated to 2.2 percent last year, it is still above potential and in line with previous forecasts. In all, global growth is projected to moderate from a downwardly revised 3 percent in 2018 to 2.9 percent in 2019 and 2.8 percent in 2020-21, as economic slack dissipates, monetary policy accommodation in advanced economies is removed, and global trade gradually slows.

Growth in the United States will continue to be supported by fiscal stimulus in the near term.

A. Global growth



B. Global industrial production and new export orders



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

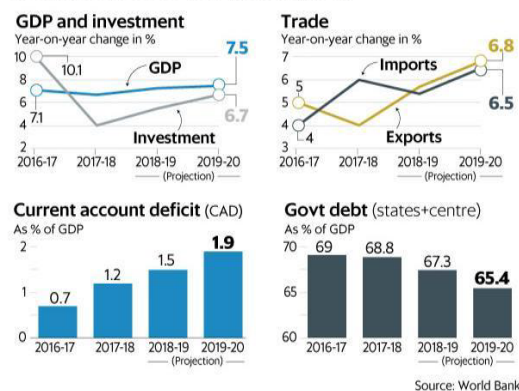
THE INDIAN ECONOMY

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

India's GDP is estimated to have increased 6.6 per cent in 2017-18 and is expected to grow 7.3 per cent in 2018-19. During the first half of 2018-19, GDP (at constant 2011-12 prices) grew by 7.6 per cent. India has retained its position as the third largest startup base in the world with over 4,750 technology startups, with about 1,400 new start-ups being founded in 2016, according to a report by NASSCOM. India's labour force is expected to touch 160-170 million by 2020, based on rate of population growth, increased labour force participation, and higher education enrolment, among other factors, according to a study by ASSOCHAM and Thought Arbitrage Research Institute. India's foreign exchange reserves were US\$ 393.29 billion in the week up to December 21, 2018, according to data from the RBI.

India seen growing at 7.3% in FY19

The World Bank has projected India's economic growth to accelerate to 7.3% in 2018-19 and 7.5% in 2019-20.



With the improvement in the economic scenario, there have been various investments in various sectors of the economy. The M&A activity in India increased 53.3 per cent to US\$ 77.6 billion in 2017 while private equity (PE) deals reached US\$ 24.4 billion. Some of the important recent developments in Indian economy are as follows:

- Exports from India increased 15.48 per cent year-on-year to US\$ 351.99 billion in April-November 2018.
- Nikkei India Manufacturing Purchasing Managers' Index (PMI) stood at 53.2 in December 2018, showing expansion in the sector.
- Mergers and Acquisitions (M&A) activity in the country has reached US\$ 82.1 billion in 2018 (up to November).
- Income tax collection in the country reached Rs 2.50 lakh crore (US\$ 35.88 billion) between April-November 2018.
- Companies in India have raised around US\$ 5.52 billion through Initial Public Offers (IPO) in 2018 (up to November).
- India's Foreign Direct Investment (FDI) equity inflows reached US\$ 389.60 billion between April 2000 and June 2018, with maximum contribution from services, computer software and hardware, telecommunications, construction, trading and automobiles.
- India's Index of Industrial Production (IIP) rose 5.6 per cent year-on-year in April-October 2018.
- Consumer Price Index (CPI) inflation rose moderated to 2.33 per cent in November 2018 from 3.38 per cent in October 2018.
- Around 10.8 million jobs were created in India in 2017.
- India has improved its ranking in the World Bank's Doing Business Report by 23 spots over its 2017 ranking and is ranked 77 among 190 countries in 2019 edition of the report.
- India is expected to have 100,000 startups by 2025, which will create employment for 3.25 million people and US\$ 500 billion in value, as per Mr T V Mohan Das Pai, Chairman, Manipal Global Education.
- The World Bank has stated that private investments in India is expected to grow by 8.8 per cent in FY 2018-19 to overtake private consumption growth of 7.4 per cent, and thereby drive the growth in India's gross domestic product (GDP) in FY 2018-19.

- India is expected to retain its position as the world's leading recipient of remittances in 2018, with total remittances touching US\$ 80 billion, according to World Bank's Migration and Development Brief.

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

GLOBAL STEEL INDUSTRY

The global metal manufacturing market is expected to reach around \$4000 billion in 2020 going forward, the market is expected to stabilize due to recovery in developed economies and accelerating growth in emerging and developing markets such as Russia, China, Brazil and India. The metals manufacturing industry comprises iron and steel foundries, alumina and aluminum production and processing establishments, iron and steel products manufacturing and iron and steel mills and ferroalloy manufacturing companies.

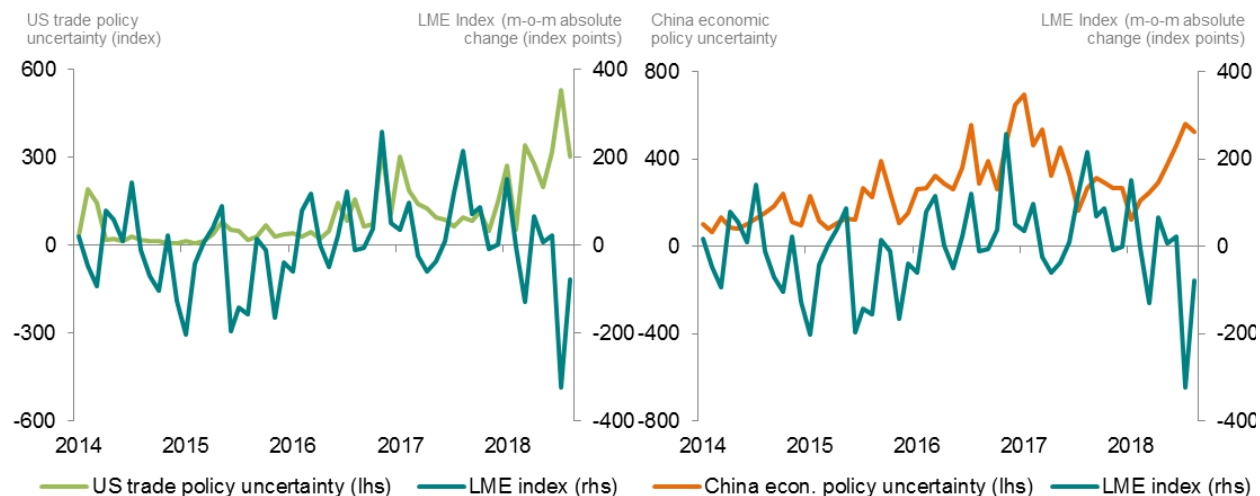
The metals manufacturing industry can be further classified as follows: Foundries, Nonferrous Metal Production And Processing, Alumina And Aluminum Production And Processing, Steel Product Manufacturing From Purchased Steel, and Iron And Steel Mills And Ferroalloy Manufacturing. Asia Pacific was the largest region in the metal manufacturing market in 2016, accounting for around 60% of the market. This was mainly due to a large manufacturing industry in the region, especially for automobiles, telecom, machinery, and transportation. Western Europe was the second largest region accounting for around 10% of the market. North America was the third largest region accounting for around 9% of the market.

Industrial robotics is gaining traction among companies in the metals industry. This is mainly because industrial robotics aids companies in reducing labor costs, improving workplace safety, and driving productivity and efficiency. Industrial robots have widespread applications in the metals industry performing tasks such as material handling, arc welding, spot welding, cutting, and press tending.

(Source: <https://www.businesswire.com/news/home/20180102005596/en/Global-Metal-Manufacturing-Market-Briefing-2017-2022-->)

Industrial metals markets (base metal and ferrous metal markets) are experiencing hectic times. Normally, the direction of metal prices is primarily determined by the economic trends in China. This influence is still considerable, but for a few months now the tumult on metals markets mainly originated in the US. US economic policy - the combination of trade and monetary policy - and the uncertainty that this provokes, puts downward pressure on metals price trends. The industrial metals markets are very cyclical in nature and the prices react strongly to news that could potentially damage future demand. In these uncertain times, investors therefore abandon riskier assets such as base metals.

The uncertainty caused by US economic policy is creating a lot of stress in base metals markets. The trade war between the US and China, including the retaliatory measures, determines sentiment. In addition, the tightening of the US monetary policy – resulting in higher interest rates – is adding to the nervousness amongst investors. The moment that US economic policy uncertainty increases, base metals prices fall. This is mainly because the global impact of the US monetary policy tightening is very high.



The combination of US trade and tighter monetary policy has created significant global economic turmoil over the last couple of weeks. For example, the economies in the emerging markets are under great pressure. This is not only because rising interest rates in the US are causing higher borrowing costs for these countries, but also because the availability of liquidity has been decreasing. This has an indirect impact on the future demand for metals. As a result of the trade war between the US and China, many investors in metal markets are also worried about the resilience of the Chinese economy. The question is whether the current turmoil will come at the expense of Chinese economic growth in the long term. A negative scenario is the most obvious outcome of a further escalation. Finally, the strengthening of the US dollar is also having a strong negative impact on metals prices. Because metals are traded internationally in dollars, a stronger US dollar makes metals more expensive in counter currency terms.

The recently announced new round of US import tariffs against China had relatively little impact on base metal prices. Indeed, prices even increased and that indicates that this new round has already been priced in. For the time being, the tit-for-tat measures will continue to influence base metal prices in the short term, which will increase volatility. But because of the more positive fundamental trends in the longer term, we expect stronger prices going forward. Conditions on the supply side are expected to worsen in most markets in the coming months. Less supply at the current level of demand will bring deficits in most base metal markets. Combined with further decreasing inventories in LME warehouses, prices will increase. In addition, the long-term demand projections for base metal also paint a favourable picture. Demand growth will be fuelled by further growth in the electric car sector and planned global infrastructural investments.

(Source: <https://insights.abnamro.nl/en/category/commodities/industrial-metals/>)

INDIAN STEEL INDUSTRY

Introduction

India holds a fair advantage in cost of production and conversion costs in steel and alumina. Its strategic location enables convenient exports to develop as well as the fast-developing Asian markets. India produces 95 minerals– 4 fuel-related minerals, 10 metallic minerals, 23 non-metallic minerals, 3 atomic minerals and 55 minor minerals (including building and other minerals).

Rise in infrastructure development and automotive production are driving growth in the sector. Power and cement industries are also aiding growth in the metals and mining sector. Demand for iron and steel is set to continue, given the strong growth expectations for the residential and commercial building industry.

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

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

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

Market Size

India ranks 4th in terms of iron ore production globally. In FY18, production of iron ore stood at 210 million tonnes. India has around 8 per cent of world's deposits of iron ore.

India's finished steel consumption grew at a CAGR of 5.69 per cent during FY08-FY18 to reach 90.68 MT. India's crude steel and finished steel production increased to 102.34 MT and 104.98 MT in 2017-18, respectively. In 2017-18, the country's finished steel exports increased 17 per cent year-on-year to 9.62 million tonnes (MT), as compared to 8.24 MT in 2016-17. Exports and imports of finished steel stood at 4.33 MT and 5.41 MT, during Apr-Nov 2018.

Rising Demand

With the Indian economy expected to grow by approximately 7 per cent in the years to come, sectors such as infrastructure and automobiles will receive a renewed thrust, which would further generate demand for steel in the country. India is expected to overtake Japan to become the world's second largest steel producer by 2019-20.

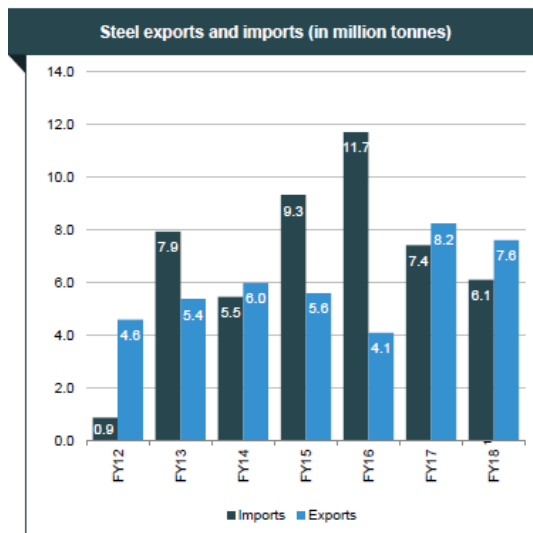
India's crude steel production crossed 100 MT for the first time in FY18. Crude steel production in the country increased 4.5 per cent year-on-year to 102.34 MT in 2017-18. It reached 8.17 million metric tonnes in July 2018 at a growth rate of 8 per cent from 7.56 million metric tonnes in July 2017. According to World Steel Association, India's steel demand is expected to grow 5.5 per cent in 2018 to 92.0 million tonnes and 6.0 per cent in 2019 to reach 97.5 million tones.

India's Role In Global Steel Production

In April - December 2017, consumption of finished steel grew at a rate of 5.2 per cent to reach 64.867 MT as against 54.487 MT during the same period in 2016. In order to reduce imports and boost domestic steel manufacturing industry, the Central Government extended the minimum import price (MIP) on 19 products, till February 4, 2017.

These products include semi-finished products of iron or non-alloyed steel, flat-rolled products of different widths, bars and rods. According to DGFT, the minimum import price (MIP) for these products would range between US\$ 643-752 per tonne. Indian Government imposed Anti-Dumping Duty on 47 steel products for five years beginning from August 2016.

In FY 2016-17, the country's steel exports has increased by 102.1 per cent year-on-year to 8.24 million tonnes (MT), as compared to 4.07 MT in 2015-16 .In FY 2016-17, the country's steel imports fell by 36.6 per cent year-on-year to 7.42 MT, as compared to 11.7 MT in 2015-16 .Exports and Imports of steel grew 52.9 per cent and 10.9 per cent to reach 7.6 MT and 6.1 MT during April-December 2017, respectively.



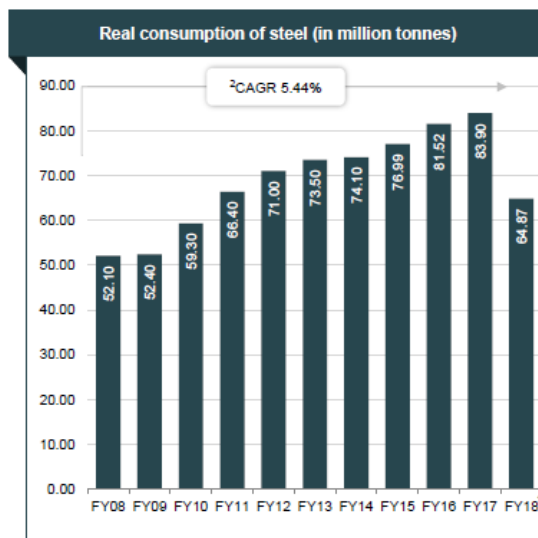
(Source: <https://www.ibef.org/download/Steel-Report-Jan-2018.pdf>)

Growing Domestic Demand

In FY17, crude steel production in India was 97.42 MT, with the total crude steel production growing at a CAGR of 5.49 per cent over the last 6 years. The steel sector contributes over 2 per cent to the GDP of the nation and provides 20 lakh jobs in the country. During April-October 2017, crude steel and finished steel production in India stood at 58.42 MT and 67.34 MT respectively.

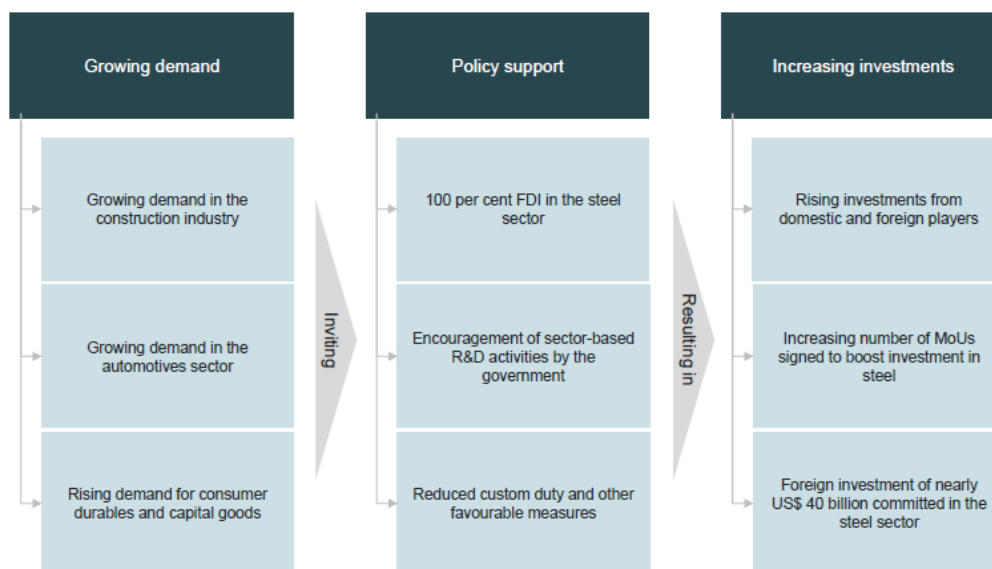
As of March 2017, the capacity utilisation of steel producers is set to increase with strong export demand and signs of revival in domestic sales. Companies like JSW and Essar Steel have experienced a sharp increase in steel manufacturing in the last 2 months. Steel manufacturing output of India is expected to increase to 128.6 MT by 2021, accelerating the country's share of global steel production from 5.4 per cent in 2017 to 7.7 per cent by 2021. India's steel output is expected to grow at a CAGR of 8.9 per cent during 2017-21 and India is expected to become top global steel producer^.

Total consumption of steel was 83.9 MT in FY17 as compared to 81.5 MT in FY16. Consumption during April-December 2017 stood at 64.867 MT. Driven by rising infrastructure development and growing demand for automobiles, steel consumption is expected to reach 104 MT by 2017. It is expected that consumption per capita would increase supported by rapid growth in the industrial sector and rising infra expenditure projects in railways, roads and highways, etc. The consumption of real steel has grown at a CAGR of 5.44 per cent during FY08-FY17.



(Source: <https://www.ibef.org/download/Steel-Report-Jan-2018.pdf>)

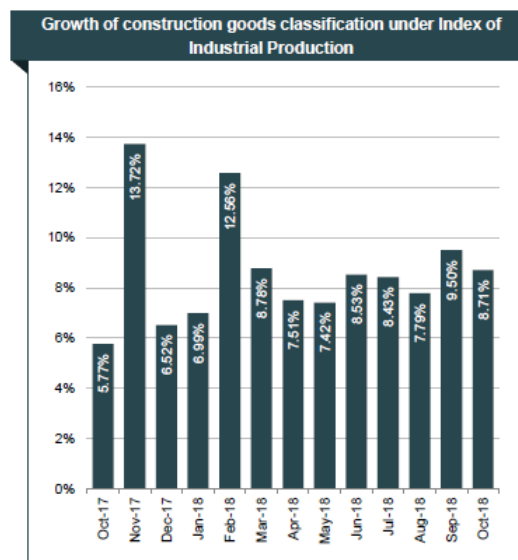
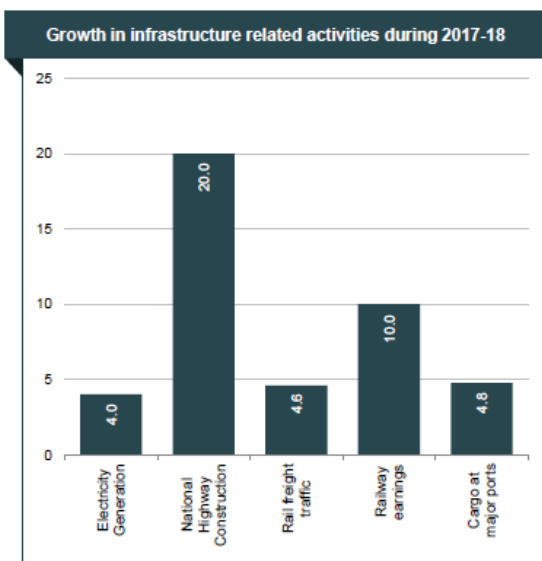
Growth Drivers



Notes: FDI - Foreign Direct Investment, MOU – Memorandum of Understanding

India is witnessing a sustained growth in infrastructure build up. The construction industry has been witness to a strong growth wave powered by large spends on housing, road, ports, water supply, rail transport and airport development. Infrastructure projects continue to provide lucrative business opportunities for steel, zinc and aluminium producers. It has been estimated that India is going to require US\$ 4.5 trillion* of investment by 2040 for infrastructure development. In Union Budget 2018-19, Government of India has allocated US\$ 92.22 billion for infrastructure sector.

India's construction industry is expected to grow 6.1 per cent on year-on-year (y-o-y) basis in 2018.[^] Gross Value Added (GVA) of the construction sector grew nearly 8.80 per cent y-o-y to Rs 11.19 trillion (US\$ 173.61 billion)* in 2017-18. Iron and steel being a core component of the real estate sector, demand for these metals is set to continue given strong growth expectations for the residential and commercial building industry.



(Source: <https://www.ibef.org/download/Steel-Report-Jan-2018.pdf>)

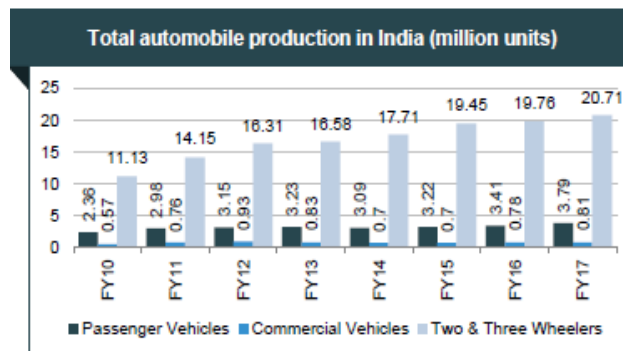
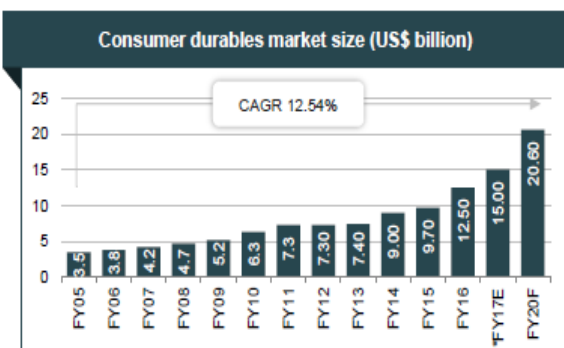
Over FY05–20F, the consumer durables sector will expand at a CAGR of 12.54 per cent as growth in disposable income is expected to result in increase in demand for such products. The consumer durables market is estimated at US\$ 15 billion and is projected to reach US\$ 20.6 billion in FY20. The capital goods and consumer durables sectors are expected to grow at 7.5–8.8 per cent over 2012–21. Automobile production in India expanded at a CAGR of 8.76 per cent during FY10–17.

New National Steel Policy has been formulated by the Ministry of Steel in 2016, which will retain the objectives included in National Steel Policy (NSP) 2005. It aims at covering broader aspects of steel sector across the country including environment and facilitation of new steel projects, growth of steel demand in India and raw materials. Under the policy, the central government stated that all the government tenders will give preference to domestically manufactured steel and iron products. Moreover, Indian steel makers importing intermediate products or raw materials can claim benefits of domestic procurement provision by adding minimum of 15 per cent value to the product.

The New steel policy, 2017 aspires to achieve 300MT of steel making capacity by 2030. This would translate into additional investment of Rs 10 lakh Crore (US\$ 156.08 billion) by 2030-31. New Steel Policy seeks to increase per capita steel consumption to the level of 160 kgs by 2030 from existing level of around 60 kg.

The government hiked the export duty on iron ore to 30 per cent ad valorem on all varieties of iron ore (except pellets). The government has reduced the basic custom duty on the plants and equipments required for initial set up or expansion of iron ore pellets plants and iron ore beneficiation plants from 7.5/5 per cent to 2.5 per cent. Customs duty on imported flat-rolled stainless steel products has been increased to 10 per cent from 7.5 per cent. Basic customs duty on steel grade dolomite and steel grade limestone is being reduced from 5 per cent to 2.5 per cent. Basic customs duty is being reduced from 10 per cent to 5 per cent on forged steel rings used in the manufacture of bearings of wind-operated electricity generators.

Going forward, the Make in India initiative and policy decisions taken under it are expected to augment the country's steel production capacity and resolve issues related to the mining industry. 100 per cent FDI through the automatic route is allowed in the Indian steel sector.



(Source: <https://www.ibef.org/download/Steel-Report-Jan-2018.pdf>)

Investments

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

According to the data released by Department of Industrial Policy and Promotion (DIPP), the Indian metallurgical industries attracted Foreign Direct Investments (FDI) to the tune of US\$ 10.84 billion in the period April 2000–June 2018.

Some of the major investments in the Indian steel industry are as follows:

- As of December 2018, Vedanta Group is going to set up a one million tone capacity steel plant in Jharkhand with an investment of Rs 22,000 crore (US\$ 3.13 billion).
- JSW Steel will be looking to further enhance the capacity of its Vijayanagar plant from 13 MTPA to 18 MTPA. In June 2018, the company had announced plans to expand the plant’s production capacity to 13 MTPA by 2020 with an investment of Rs 7,500 crore (US\$ 1.12 billion).
- Vedanta Star Ltd has outbid other companies to acquire Electrosteel Steels for US\$ 825.45 million.
- Tata Steel won the bid to acquire Bhushan Steel by offering a consideration of US\$ 5,461.60 million.
- JSW Steel has planned a US\$ 4.14 billion capital expenditure programme to increase its overall steel output capacity from 18 million tonnes to 23 million tonnes by 2020.
- Tata Steel has decided to increase the capacity of its Kalinganagar integrated steel plant from 3 million tonnes to 8 million tonnes at an investment of US\$ 3.64 billion.
- The Government of India is taking steps to boost the country’s domestic steel sector and raise its capacity to 300 million tonnes (MT) by 2030 - 31.

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

Opportunities

India’s per capita steel consumption was 65.2 kg in 2017 compared with the global average of 214.5 kg. Rural per capita steel consumption is likely to reach around 20 kg from 13 kg currently. An amount equal to US\$ 25 billion to US\$ 33 billion is expected to be invested in steel sector over the next 6-7 years.

Strong long – term demand from steel industry is expected to further boost the industry. Also booming construction, automobiles and packaging industries are expected to lend substantial support to the metals sector.

The iron and steel segment offers a product mix which includes hot rolled parallel flange beams and columns rails, plates, coils, wire rods, and continuously cast products such as billets, blooms, beams, blanks, rounds and slabs as well as metallics and ferro alloy. Looking at the expected growth in sector, existing manufacturers have a huge opportunity to expand their product line in new segments.

(Source: <https://www.ibef.org/industry/metals-and-mining-presentation#>)

Road Ahead

India is expected to overtake Japan to become the world's second largest steel producer soon. The National Steel Policy, 2017, has envisaged 300 million tonnes of production capacity by 2030-31. In 2018, steel consumption of the country is expected to grow 5.7 per cent year-on-year to 92.1 MT*. Further, India is expected to surpass USA to become the world's second largest steel consumer in 2019*. Huge scope for growth is offered by India's comparatively low per capita steel consumption and the expected rise in consumption due to increased infrastructure construction and the thriving automobile and railways sectors.

Exchange Rate Used: INR 1 = US\$ 0.0142 as of Q2 FY19.

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

OUR BUSINESS

This chapter should be read in conjunction with, and is qualified in its entirety by, the more detailed information about our Company and its financial statements, including the notes thereto, in the sections titled 'Risk Factors' and 'Financial Statements' and the chapter titled 'Management Discussion and Analysis of Financial Condition and Results of Operations' beginning on page nos. 17, 113 and 135, respectively, of this Draft Prospectus. Unless the context otherwise requires, in relation to business operations, in this chapter of this Draft Prospectus, all references to "we", "us", "our" and "our Company" are to Pentech Metals Limited.

OVERVIEW

Our Company was incorporated as "Pentech Metals Private Limited" on October 09, 2014 under the Companies Act, 2013 with the Registrar of Companies, Mumbai, Maharashtra bearing Registration No. 258618 and the certificate of incorporation was issued by the Registrar of Companies at Mumbai, Maharashtra. Our Company was converted into a public limited company pursuant to a special resolution passed by our Shareholders on January 28, 2019 and the name of our Company was changed to "Pentech Metals Limited". Consequently, a fresh certificate of incorporation consequent upon change of name upon conversion into public company was issued by the RoC on February 06, 2019.

Our Company operates as a trader, stockiest and distributor of iron & steel products. Further, we have entered into Bailee agreement with a service provider who manufactures TMT bars for our Company as per requirements of our Customers.

Following is the classification of product offerings of our Company:

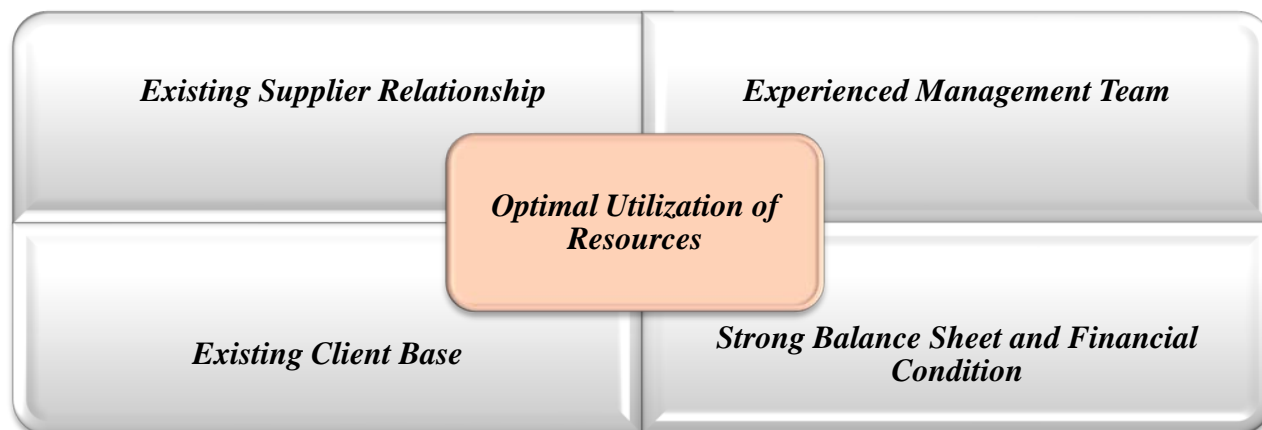


At present, we cater majorly to domestic markets. We have relations with dealers, traders and distributors who are well established in steel industry which help us gain long term benefits. We aim to expand our customer base by reaching out to new states and increasing the sales in existing states.

Our Company primarily operates from its Registered Office located at Office No.507, 5th Floor, The Summit Business Bay, Andheri A.K Road, Gondavali, Opp. Cinemax, Andheri; Mumbai – 400093. Further, we also have a godown / storage unit located at Gut no. 154 to 161 and 163 to 165, Wada Shahpur Road, Village Abitgarh, Taluka Wada, District Palghar – 421303. For further details of Our Properties refer to para titled Properties on page no. 83 of this Draft Prospectus.

As per our Restated Financial Statements, our Revenue from Operations was ₹ 47,100.88 lakhs for F.Y. 2015-16, ₹ 22,048.78 Lakhs for FY 2016-17, ₹ 26,949.04 Lakhs for FY 2017-18 and ₹ 15,208.01 Lakhs as on September 30, 2018. Our profit after tax was ₹ 19.48 Lakhs for FY 2015-16 and ₹ 31.40 Lakhs for FY 2016-17, ₹ 62.78 lakhs for FY 2017-18 and ₹ 53.20 Lakhs as on September 30, 2018.

OUR COMPETITIVE STRENGTHS:



1. Existing Supplier Relationship

Our existing supplier relationship protects the business with terms of supply and pricing of the products, the quality of the products offered etc. We being a small and medium size organization, rely on personal relationships with suppliers. Our company enjoys existing relationship with our suppliers. Further, we also leverage the past experience of our management in maintain effective supplier relationship.

2. Experienced Management Team:

Our Company is led by a strong management team, sound experienced and expertise in the business and industry in which we operate and has been in many ways responsible for the growth of our operations. Our experienced directors have in-depth knowledge of the products and industry. The key managerial personnel consist of persons qualified in their respective fields and provide complementary support to the successful implementation of management strategies. Our promoter are well experienced in the business and industry and are actively involved in the day to day management of our business operations. For further details refer '*Our Management*' on page no. 95 of this Draft Prospectus.

3. Existing Client Base

Since our promoter were already active in the trading business of iron and steel whether directly or indirectly, we are successful in building a strong client base for our business. Our existing relationships help us to get repeat business from our customers. This has helped us to maintain a long term working relationship with our customers and improve our customer retention strategy. We have strong existing client relationships which generates multiple repeat orders. We believe that our existing relationship with our clients represents a competitive advantage in gaining new clients and increasing our business.

4. Strong Balance Sheet and Financial Condition

Though, we have been recently incorporated, we performed reasonably well with strong revenue and balance sheet position. We currently possess a unique balance sheet situation with low debt and high equity. Hence, we can procure the goods by making upfront payments and take benefit of cash discount or can buy in bulk and hold inventory for longer periods thereby improving our profitability. We believe that we have the ability to leverage our balance sheet to take advantage of a favorable business cycle or market opportunity.

5. Optimal Utilization of Resources

Our Company constantly endeavors to improve our service process, and will increase its procurement process to optimize the utilization of resources. We have invested significant resources, and intend to further invest in our

activities to develop customized systems and processes to ensure effective management control. We regularly analyze our existing policies to be carried out for operations of our Company which enable us to identify the areas of bottlenecks and correct the same. This helps us in improving efficiency and putting resources to optimal use.

OUR STRATEGIES:

1. Better working capital management

We attract new customers by offering extended credit period to them. This strategy requires a strong working capital position. Hence we intend to raise funds from the IPO and ensure we have available liquidity and resources ensuring better working capital management. We believe that this will widen our available equity capital base and allow the company to expand its operational levels as well as earn higher margins due to low debt.

2. Improving functional efficiency

We understand curtailing cost without compromise on quality is an important factor to be considered for operation of business. Our Company intends to improve efficiencies to achieve cost reductions and which in turn will give us a competitive edge over our peers. We believe that this can be achieved through detailed analysis of our processes and continuous process improvement along with keeping pace with technology development.

3. Asset light Model

Our Company intends to maintain an asset light model, i.e. instead of setting up its own manufacturing infrastructure and assets, our Company intends to continue to avail the services of the bailee for the manufacturing/processing of TMT Bars. Our company believes that setting up its own manufacturing unit will not only involve intensive capital investment but also regular maintenance expenses which will require working capital. The asset light model adopted by our company will enable us to utilize the working capital towards the operating activities, i.e. to fund our credit sales which in turn will lead to an increased turnover and profitability.

4. Leveraging our Market skills and Relationships

This is a continuous process in our organization and the skills that we impart in our people give importance to customers. We aim to enhance the growth by leveraging our relationships and further enhancing customer satisfaction. We plan to increase our customers by meeting orders in hand on time, maintaining our customer relationship and renewing our relationship with existing buyers.

5. To build-up a professional organization

As an organization, we believe in transparency and commitment in our work and with our suppliers and customers. We have an experienced team for taking 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. We will consistently put efforts among its group of experienced employees to transform them into an outstanding team of empowered professionals which helps in further accelerating the wheels of development of the organization.

DETAILS OF OUR BUSINESS

LOCATION

We currently operate from the following offices and godown, in the State of Maharashtra:

Registered Office

Office No. 507, 5th Floor, The Summit Business Bay, Andheri A. K Road, Gondavali, Opp. Cinemax, Andheri. Mumbai – 400093.

Godown

Our Company has entered into bailor bailee agreement pursuant to which we utilize Gut no. 154 to 161 and 163 to 165, Wada Shahpur Road, Village Abitgarh, Taluka Wada, District Palghar – 421303 as godown for raw materials and TMT bars.

PRODUCTS

Our Company is into trading of various metal products which directly consumed in various sectors like construction, automobile, gas and petroleum etc. and are also utilized as raw material by various manufacturing companies.

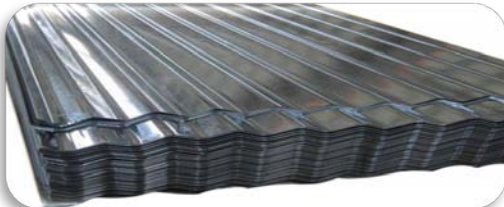

Our Company procures products both from national and international players except TMT bars which are manufactured at our bailee's factory under agreement for bailment dated September 25, 2018 for which raw materials are provided by our Company. Purchase from local vendors is high as compared to imports.

Further, our company mainly trades the products to our consumers on order basis. Hence, inventory levels are very low except for TMT bars which are stored at our godown.


Following is the list of products:

- Cold Rolled Coil
- Colour Coated Coils
- Cold Rolled Sheet
- Cold Rolled Steel Sheet In Coils
- Finished Hot Rolled Plates
- Galvanized Corrugated Sheet
- Galvanized Sheet
- Galvanized Plain Coil
- Galvanized Plain Sheet
- Galvanized Sheet Galva Coil
- GS Galvanized Pipe
- Heavy Melting Scrap of Steel & Iron
- H R Chequered Coil
- H R Coil
- H R Sheet
- M S Bar
- M S Billets
- M S Ingot
- M S Low carbon
- M S Low carbon sheet
- M S Re-Rolling material
- PPGI coils/sheet
- Preprinted Galvanized Steel Coils
- Prime hot dip pre-painted. Zinc alloys coated
- Prime hot rolled non alloy steel plates
- Prime Hot Rolled Non Alloy Steel Sheet in Coils
- Prime Hot Rolled Steel Plates
- TMT Bars

Following are the details of some of our products:

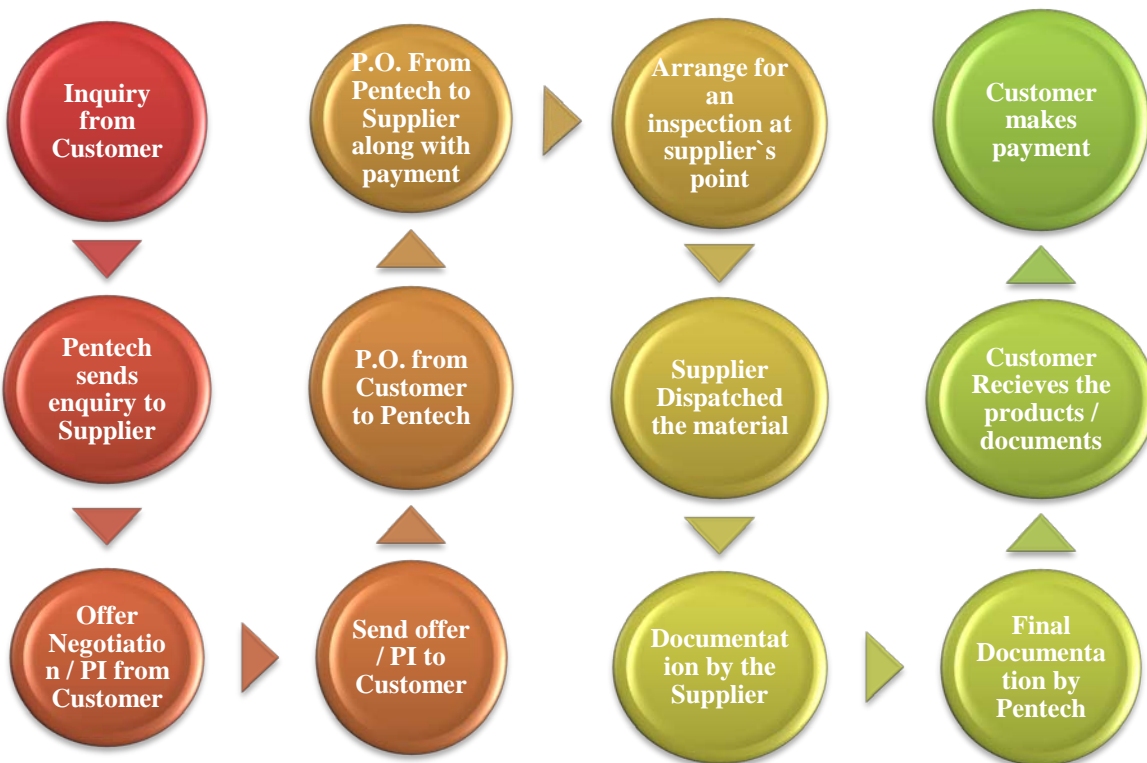
Sr. No.	Name of Products	Description	End Use
1.	<p>Hot Rolled Sheets (HR Sheets)</p> 	<p>Our Company is in trading of HR Sheets which are available in various steel grades that include extra deep draw, mild steel, high carbon and stainless steel.</p> <p>These sheets are mainly used in the welding and construction trades to make railroad tracks and I-beams, for example. Hot rolled steel is used in situations where precise shapes and tolerances are not required.</p>	Industrial Use
2.	<p>Hot Rolled Coil (HR Coil)</p> 	<p>We are traders of HR Coil and we supply it as per specific requirements of our Customers depending upon the size and thickness demanded by them.</p> <p>These coils are mainly used as</p> <ul style="list-style-type: none"> • Commercial steel for steel sheets, corrugated steel • Structural Steel for steel structures, lighting poles, electric transmission poles • API Steel for oil & gas pipelines and water pipelines. • Pressure vessels tanks and gas cylinders. • Corten Steel for steel containers. • Chequered Steel for floors. 	Industrial Use
3.	<p>Corrugated sheets. (GC Sheets)</p> 	<p>Corrugated sheets are also known as corrugated galvanized iron (CGI) sheets.</p> <p>They are mainly used for construction of sheds, rooftops of factories and houses.</p>	Household and industrial
4.	<p>Galvanised Sheets</p> 	<p>We trade in galvanised sheets i.e. these are sheets coated with zinc to prevent steel or iron from erosion.</p> <p>These sheets are mainly used in</p> <ul style="list-style-type: none"> • Construction of balconies, building frames, canopies, ductwork, handrails, fences, industrial walkways, ladders, staircases, street furniture, 	Construction, Electronics and Industry

Sr. No.	Name of Products	Description	End Use
		<p>support beams, verandas etc.</p> <ul style="list-style-type: none"> • Electronics: Computer casings and precision instruments are made with zinc coating because it's moisture- and rust-resistant. • Manufacturing of nails, nuts, bolts, pipes, wire ropes, playground equipments, cars and aircrafts. 	
5.	<p>TMT Bars</p> 	<p>We trade in TMT Bars (Thermo Mechanically Treated Bars) which are the most popular reinforcement Bars and are mainly used to reinforce concrete in construction of Bridges.</p> <p>These Bars have strength with better mildness, better corrosion resistance, better bond strength with cement, resistance to fire hazard, excellent ductility, higher fatigue strength, easy work ability at site, reduction in construction costs.</p>	Industrial and construction
6.	<p>Cold Rolled Steel Coils (CR Coils)</p> 	<p>CR sheets or cold rolled sheets are hot rolled products which provides a superior surface finish, with improved physical properties of the steel, such as high formability, high strength, excellent dent resistance, good magnetic properties, tensile strength, and workability and welding properties. With Cold Rolling its thickness is reduced to precise gauges. CR Sheets are available in sheets and coils.</p> <p>These Coils are mainly supplied by us for making containers, bicycles, furniture, household appliances, electrical panels, construction, galvanizing, general engineering etc</p>	Industrial and Auto Sector
7.	<p>Color Coated Coils (CC Coils)</p> 	<p>We trade into Color Coated Coils which are further used for various purposes like</p> <ul style="list-style-type: none"> • Construction of roof tops, walling, soffit and fascia, rainware, garage and entry doors, storage units and Interiors. • It is also used in transport industry for manufacturing of 	Industrial, Auto Sector and Construction.

Sr. No.	Name of Products	Description	End Use
		<p>Motorcycles, Tractor trailers, trailer Van panels, automotives.</p> <ul style="list-style-type: none"> • Further, it is also widely used by architects for designing interiors, making furniture's etc. 	
8.	<p>Mild Steel and Low Carbon Round Bright Bars</p> 	<p>We trade in MS low carbon round bright bars which are used for applications such as cold headed fasteners and bolts.</p>	Industrial Use

PROCESS

Process for Traded Goods



Step 1:

In the first step, a customer inquires whether we have a certain product in our products range, how much it will cost, what is the quality of product or whether the product will be available for a certain date. The inquiry is therefore a



request from the customer for us to provide him with a sales quotation. Accordingly the company receives inquiries of various kinds of products, their qualities which are required by customers.

Step 2:

Based on the inquiries from customers, we seek the availability of the products in the desired specifications as required by our customer.

Step 3:

Upon confirmation of the above, our suppliers send us an offer and we negotiate the right deal with them. We also negotiate other factors, such as delivery, payment terms and the quality of the goods. The supplier sends us a pro-forma invoice based on the final negotiations.

Step 4:

Our Company send a counter pro-forma invoice to our customer ensuring that the product negotiated meets their requirements. We also explain product specifications and their qualities in an effective and efficient manner and try to get an order in large quantities.

Step 5:

Customer sends a purchase order to us indicating the final quantity at the agreed prices for the products.

Step 6:

We initiate the purchase order on a ex factory basis..

Step 7:

Prior to the dispatch of the goods are inspected at the supplier's end for verification of the quality, viscosity, consistency, etc.

Step 8:

The final documentation from the suppliers is collated by us and the entire set is forwarded to our customer. This is required to obtain the final possession of the goods by the customer.

Step 9:

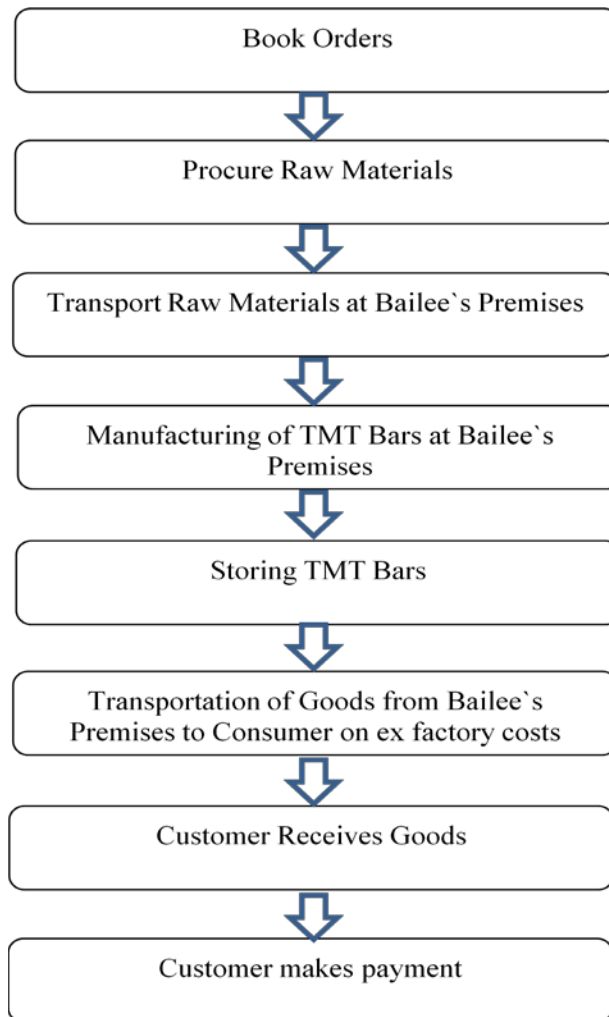
Upon delivery of the goods to the customer, we receive payment for the same over a pre-decided period of time depending on the credit period extended to such customer.

Process for TMT Bars

Our Company has entered into agreement for manufacturing TMT bars pursuant to which once orders are confirmed by our customers we procure raw materials and supply them to our Job worker who manufactures TMT bars and supply it directly to the customers on Ex factory basis.

Further, the raw materials procured for manufacturing TMT bars and TMT bars are stored at the godown of the bailee and Company and its employees have rights to visit the factory any time. Any loss to the stock or loss in trade due to delay in supply of TMT bars is borne by the bailee and Company is not liable for it.

For detailed process please refer table below:





OUR MAJOR CUSTOMERS

Our Company is engaged in providing services to customers ranging to various industries. The analysis of percentage of income derived from Top 10 customers in the last three financial years is as follows:

(₹ in lakhs)

Particulars	Revenue and Percentage					
	F.Y. 2017-18		F.Y. 2016-17		F.Y. 2015-16	
Income From Top 10 Customers	21,999.97	81.64%	11,346.49	51.46%	49,747.83	70.52%

COMPETITION

Competition is faced by our business from other existing traders and manufacturers of metal products, dealt by us. We engage with our competitors on a regional or product line basis. Many of our competitors have substantially large capital base and resources than we do and offer broader range products. We believe that the principal factors affecting competition in our business include client relationships, reputation, the abilities of employees, market focus and the relative quality and price of the services and products.

MARKETING AND MARKETING SET-UP

Top management and key executives of our company enjoy the confidence of specific corporate and retail clients and currently our market is only focused to a selected setup of clients. To get the feedback on the quality of products and services and to improve the same as well, we interact with our customers

PLANT AND MACHINERY

Our company is engaged in trading industry hence we do not require any Plant and Machinery

CAPACITY AND CAPACITY UTILIZATION

Our company is not engaged in the manufacturing of goods and hence capacity and capacity utilization is not applicable to our company.

EXPORT AND EXPORT OBLIGATION

Our Company doesn't have any export obligations.

COLLABORATIONS

We have not entered into any technical or other collaboration.

INFRASTRUCTURAL FACILITIES AND UTILITIES

Our registered office is located at office No.507, 5th Floor, The Summit Business Bay, Andheri A.K Road, Gondavali, Opp.Cinemax, Andheri. Mumbai – 400093.

Our offices are equipped with computer systems, servers, relevant software and other communication equipment's, uninterrupted power supply, internet connectivity, security and other facilities, which are required for our business operations to function smoothly.

HUMAN RESOURCES

Our Company believes that our ability to maintain growth depends to a large extent on our strength in attracting, training, motivating and retaining employees. As on November 30, 2018, the company has 8 employees. Further, our company has no contract labour.



PROPERTIES

The details of leasehold properties, which we occupy for our business operations, are as under:

Sr. No.	Details of premises	Name of Licensor / Bailee	Amount and Tenure of Rent	Purpose
1.	Office No.507, 5th Floor, The Summit Business Bay, Andheri A.K Road, Gondavali, Opp. Cinemax, Andheri, Mumbai – 400093.	⁽¹⁾ Tina Gandhi	Rs. 50,000 p.m. Tenure : April 01, 2016 to March 31, 2021	Registered Office
2.	Gut no. 154 to 161 and 163 to 165, Wada Shahpur Road, Village Abitgarh, Taluka Wada, District Palghar – 421303	Vistar Metal Industries Private Limited	Agreement is valid till bailor supplies raw material for manufacturing TMT Bars.	Warehousing

The details of freehold properties, which we have given on rent, are as under:

Sr. No.	Details of premises	Name of Licensee	Amount of Deposit	Amount and Tenure of Rent
1.	Office No. 4096, Bina Complex, Plot No. 119, Iron & Steel Market, Kalamboli, Navi Mumbai – 410218.	M/s Disha Logistics (Proprietor : Mr. Arjun)	Rs. 25,000	Rent: Rs. 5500/- p.m. ⁽²⁾ Tenure: January 01, 2018 to November 30, 2018.

⁽¹⁾ Mrs. Tina Gandhi is the Promoter of our Company.

⁽²⁾ The rental agreements for these premises have expired and have not been renewed. However, we have oral arrangements with owners and so we continue to use these premises.

INTELLECTUAL PROPERTY

We do not require any trademark or intellectual protection for our basic business operations. Hence, our Company has not registered any logo.

INSURANCES

Our Company has not taken any insurance for goods only unsecured loans are insured. Further, as per bailor bailee agreement any loss to the stock of raw materials and TMT bars stored at the godown is to be borne by the bailee and hence Company is not liable for any loss on such stock.

KEY REGULATIONS AND POLICIES

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

We are engaged in the business of trading in wide range of metals steel and iron products. Our business is governed by various central and state legislations that regulate the substantive and procedural aspects of the business. We are required to obtain and regularly renew certain licenses/ registrations and / or permissions required statutorily under the provisions of various Central and State Government regulations, rules, bye laws, acts and policies.

For details of Government Approvals obtained by us in compliance with these regulations, please see the chapter titled “Government and Other Statutory Approvals” beginning on page 151 of this Draft Prospectus.

A. LABOUR RELATED LEGISLATIONS:

1. Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017

The Company is governed by Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017. The Company has its registered at Office No.507, 5thFloor, The Summit Business Bay, Andheri A.K Road, Gondavali, Opp. Cinemax, Andheri; Mumbai – 400093. The Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017 regulations regulates the conditions of work and employment in shops and commercial establishments and generally prescribe obligations in respect of inter alia registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety.

2. The Employees State Insurance Act, 1948

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

3. Employees Provident Fund and Miscellaneous Provisions Act, 1952

Under the Employees Provident Fund and Miscellaneous Provisions Act, 1952 (“EPF Act”), compulsory provident fund, family pension fund and deposit linked insurance are payable to employees in factories and other establishments. The legislation provides that an establishment employing more than 20 (twenty) persons, either directly or indirectly, in any capacity whatsoever, is either required to constitute its own provident fund or subscribe to the statutory employee’s provident fund. The employer of such establishment is required to make a monthly contribution to the provident fund equivalent to the amount of the employee’s contribution to the provident fund. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPF Act also prescribes penalties for avoiding payments required to be made under the abovementioned schemes.

4. The Employees’ Compensation Act, 1923

The Employees’ Compensation Act, 1923 has been enacted with the object to provide compensation to workmen by employers for injuries caused by accident(s) arising out of and in the course of employment, and for occupational diseases resulting in death or disablement. In case the employer fails to pay the compensation under the provisions

of the Employees' Compensation Act, 1923 within 1 (one) month from the date it falls due, the employer may be directed to pay the compensation along with the interest.

5. Equal Remuneration Act, 1976

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

6. Maternity Benefit Act, 1961

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

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

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

8. The Payment of Wages Act, 1936

The Payment of Wages Act, 1936 ("PW Act") is applicable to the payment of wages to persons in factories and other establishments. PW Act ensures that wages that are payable to the employee are disbursed by the employer within the prescribed time limit and no deductions other than those prescribed by the law are made by the employer.

9. The Minimum Wages Act, 1948

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

10. Payment of Gratuity Act, 1972

The Payment of Gratuity Act, 1972 applies to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a State, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months. It provides for payment of gratuity to the employees who have put in a continuous service of five years, in the event of their superannuation, retirement, resignation, death or disablement due to accident or disease: Provided that the completion of continuous service of five years shall not be necessary where the termination of the employment of any employee is due to death or disablement. Gratuity is calculated at the rate of 15 days' wages for every completed year of service with the employer. Presently, an employer is obliged for a maximum gratuity pay out of ₹ 10, 00,000 for an employee.

B. TAX RELATED LEGISLATIONS:

1. Income-tax Act, 1961

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

2. Central Goods and Services Tax Act, 2017

The Central Goods and Services Tax Act, 2017 (“CGST Act”) regulates the levy and collection of tax on the intra-State supply of goods and services by the Central Government or State Governments. The CGST Act amalgamates a large number of Central and State taxes into a single tax. The CGST Act mandates every supplier providing the goods or services to be registered within the State or Union Territory it falls under, within 30 days from the day on which he becomes liable for such registration. Such registrations can be amended, as well as cancelled by the proper office on receipt of application by the registered person or his legal heirs. There would be four tax rates namely 5%, 12%, 18% and 28%. The rates of GST applied are subject to variations based on the goods or services.

3. Integrated Goods and Services Tax Act, 2017

Integrated Goods and Services Tax Act, 2017 (“IGST Act”) is a Central Act enacted to levy tax on the supply of any goods and/ or services in the course of inter-State trade or commerce. IGST is levied and collected by Centre on interstate supplies. The IGST Act sets out the rules for determination of the place of supply of goods. Where the supply involves movement of goods, the place of supply shall be the location of goods at the time at which the movement of goods terminates for delivery to the recipient. The IGST Act also provides for determination of place of supply of service where both supplier and recipient are located in India or where supplier or recipient is located outside India. The provisions relating to assessment, audit, valuation, time of supply, invoice, accounts, records, adjudication, appeal etc. given under the CGST Act are applicable to IGST Act.

4. Professional Tax

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

5. Central Excise Act, 1944

The Central Excise Act, 1944 (“Central Excise Act”) consolidates and amends the law relating to Central Duties of Excise on goods manufactured or produced in India. Excisable goods under the Act means goods specified in the Schedule to the Central Excise Tariff Act, 1985 as being subject to duty of excise. Factory means any premises, including the precincts thereof, wherein or in any part of which excisable goods are manufactured, or wherein or in any part of which any manufacturing process connected with the production of these goods being carried on or is ordinarily carried out. Under the Act a duty of excise is levied on all excisable goods, which are produced or manufactured in India as and at the rates set forth in the First Schedule to the Central Excise Tariff Act, 1985.

C. OTHER LEGISLATIONS:

1. Transfer of Property Act, 1882

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

Sale: The transfer of ownership in property for a price, paid or promised to be paid.

Mortgage: The transfer of an interest in property for the purpose of securing the payment of a loan, existing or future debt, or performance of an engagement which gives rise to a pecuniary liability. The T.P. Act recognizes several forms of mortgages over a property.

Charges: Transactions including the creation of security over property for payment of money to another which are not classifiable as a mortgage. Charges can be created either by operation of law, e.g. decree of the court attaching to specified immovable property, or by an act of the parties.

Leases: The transfer of a right to enjoy property for consideration paid or rendered periodically or on specified occasions.

Leave and License: The transfer of a right to do something upon immovable property without creating interest in the property. Further, it may be noted that with regards to the transfer of any interest in a property, the transferor transfers such interest, including any incidents, in the property which he is capable of passing and under the law, he cannot transfer a better title than he himself possesses.

2. Consumer Protection Act 1986

The Consumer Protection Act, 1986 (“Consumer Protection Act”) was enacted to provide speedy and simple redressal to consumer disputes through quasi-judicial machinery set up at district, state and national level. The provisions of the Consumer Protection Act cover products as well as services.

3. The Registration Act, 1908

The Registration Act, 1908 (“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

4. The Indian Contract Act, 1872

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

5. The Specific Relief Act, 1963

The Specific Relief Act, 1963 (“Specific Relief Act”) is complimentary to the provisions of the Contract Act and the Transfer of Property Act, as the Act applies both to movable property and immovable property. The Specific Relief Act applies in cases where the Court can order specific performance of a contract. Specific relief can be granted only for purpose of enforcing individual civil rights and not for the mere purpose of enforcing a civil law. Specific performance’ means Court will order the party to perform his part of agreement, instead of imposing on him any monetary liability to pay damages to other party.

6. The Companies Act, 2013

The Companies Act, 2013 (“Companies Act”), has been introduced to replace the existing Companies Act, 1956 in a phased manner. The Companies Act deals with laws relating to companies and certain other associations. The Companies Act primarily regulates the formation, financing, functioning and winding up of companies. The Companies Act prescribes regulatory mechanism regarding all relevant aspects, including organizational, financial and managerial aspects of companies. It deals with issue, allotment and transfer of securities and various aspects relating to company management. It provides for standard of disclosure in public issues of capital, particularly in the fields of company management and projects, information about other listed companies under the same management, and management perception of risk factors.

7. Competition Act, 2002

The Competition Act, 2002 (“Competition Act”) aims to prevent anti-competitive practices that cause or are likely to cause an appreciable adverse effect on competition in the relevant market in India. The Competition Act regulates anti-competitive agreements, abuse of dominant position and combinations. The Competition Commission of India (“Competition Commission”) which became operational from May 20, 2009 has been established under the Competition Act to deal with inquiries relating to anti-competitive agreements and abuse of dominant position and regulate combinations. The Competition Act also provides that the Competition Commission has the jurisdiction to inquire into and pass orders in relation to an anti-competitive agreement, abuse of dominant position or a combination, which even though entered into, arising or taking place outside India or signed between one or more non-Indian parties, but causes an appreciable adverse effect in the relevant market in India

D. REGULATIONS REGARDING FOREIGN INVESTMENT

Foreign Exchange Management Act, 1999

Foreign investment in companies in the manufacturing sector is governed by the provisions of the Foreign Exchange Management Act, 1999 (“FEMA”) read with the applicable regulations. The Department of Industrial Policy and Promotion (“DIPP”), Ministry of Commerce and Industry has issued the Consolidated FDI Policy which consolidates the policy framework on Foreign Direct Investment (“FDI Policy”), with effect from August 28, 2017. The FDI Policy consolidates and subsumes all the press notes, press releases, and clarifications on FDI issued by DIPP till August 27, 2017. All the press notes, press releases, clarifications on FDI issued by DIPP till August 27, 2017 stand rescinded as on August 28, 2017. In terms of the FDI Policy, foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the Government route, depending upon the sector in which foreign investment is sought to be made. In terms of the FDI Policy, the work of granting government approval for foreign investment under the FDI Policy and FEMA Regulations has now been entrusted to the concerned Administrative Ministries/Departments. FDI for the items or activities that cannot be brought in under the automatic route may be brought in through the approval route. Where FDI is allowed on an automatic basis without the approval of the Government, the RBI would continue to be the primary agency for the purposes of monitoring and regulating foreign investment. In cases where Government approval is obtained, no approval of the RBI is required except with respect to fixing the issuance price, although a declaration in the prescribed form, detailing the foreign investment, must be filed with the RBI once the foreign investment is made in the Indian company. The RBI, in exercise of its power under the FEMA, has also notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 to prohibit, restrict or regulate, transfer by or issue of security to a person resident outside India. The Company is engaged in the activity of wholesale trading and multi-brand retail trading. The FDI Policy issued by the DIPP permits foreign investment upto

100% in the Cash and Carry Wholesale Trading/ Wholesale Trading (“WT”) sector under the automatic route. Further, the FDI Policy permits foreign investment upto 51% in the multi-brand retail sector under the government route subject to certain conditions which are mentioned below.

Cash and Carry Wholesale Trading/ Wholesale Trading

Cash & Carry Wholesale trading/Wholesale trading, would mean sale of goods/merchandise to retailers, industrial, commercial, institutional or other professional business users or to other wholesalers and related subordinated service providers. Wholesale trading would, accordingly, imply sales for the purpose of trade, business and profession, as opposed to sales for the purpose of personal consumption. The yardstick to determine whether the sale is wholesale or not would be the type of customers to whom the sale is made and not the size and volume of sales. Wholesale trading would include resale, processing and thereafter sale, bulk imports with ex-port/ex bonded warehouse business sales and B2B e-Commerce. Further, Cash & Carry Wholesale Trading/Wholesale Trading (“WT”) is subject to the following conditions:

- a. For undertaking WT, requisite licenses/registration/ permits, as specified under the relevant Acts/Regulations/Rules/Orders of the State Government/Government Body/Government Authority/Local Self Government Body under that State Government should be obtained.
- b. Except in case of sales to Government, sales made by the wholesaler would be considered as ‘cash & carry wholesale trading/wholesale trading’ with valid business customers, only when WT are made to the following entities:
 - i. Entities holding sales tax/ VAT registration/service tax/excise duty registration; or
 - ii. Entities holding trade licenses i.e. a license/registration certificate/membership certificate/registration under Shops and Establishment Act, issued by a Government Authority/Government Body/Local Self-Government Authority, reflecting that the entity/person holding the license/ registration certificate/ membership certificate, as the case may be, is itself/ himself/herself engaged in a business involving commercial activity; or Entities holding permits/license etc. for undertaking retail trade (like the bazari and similar license for hawkers) from Government Authorities/Local Self Government Bodies; or
 - iii. Institutions having certificate of incorporation or registration as a society or registration as public trust for their self-consumption.

An entity, to whom WT is made, may fulfill any one of the 4 (four) conditions stated above.

- c. Full records indicating all the details of such sales like name of entity, kind of entity, registration/license/permit etc. number, amount of sale etc. should be maintained on a day to day basis.
- d. WT of goods would be permitted among companies of the same group. However, such WT to group companies taken together should not exceed 25% of the total turnover of the wholesale venture.
- e. WT can be undertaken as per normal business practice, including extending credit facilities subject to applicable regulations.
- f. A wholesale/cash & carry trader can undertake retail trading, subject to the conditions applicable. An entity undertaking wholesale/cash and carry as well as retail business will be mandated to maintain separate books of accounts for these two arms of the business and duly audited by the statutory auditors. Conditions of the FDI Policy for wholesale/cash and carry business and for retail business have to be separately complied with by the respective business arms.

Multi-brand retail trading

FDI in multi brand retail trading, in all products, is permitted, subject to the following conditions:

(i) Fresh agricultural produce, including fruits, vegetables, flowers, grains, pulses, fresh poultry, fishery and meat products, may be unbranded.

(ii) Minimum amount to be brought in, as FDI, by the foreign investor, would be US \$100 million.

(iii) At least 50% of total FDI brought in the first tranche of US \$ 100 million, shall be invested in 'back-end infrastructure' within three years, where 'back-end infrastructure' will include capital expenditure on all activities, excluding that on frontend units; for instance, back-end infrastructure will include investment made towards processing, manufacturing, distribution, design improvement, quality control, packaging, logistics, storage, warehouse, agriculture market produce infrastructure etc. Expenditure on land cost and rentals, if any, will not be counted for purposes of backend infrastructure. Subsequent investment in backend infrastructure would be made by the MBRT retailer as needed, depending upon its business requirements.

(iv) At least 30% of the value of procurement of manufactured/processed products purchased shall be sourced from Indian micro, small and medium industries, which have a total investment in plant & machinery not exceeding US \$ 2.00 million. This valuation refers to the value at the time of installation, without providing for depreciation. The 'small industry' status would be reckoned only at the time of first engagement with the retailer, and such industry shall continue to qualify as a 'small industry' for this purpose, even if it outgrows the said investment of US \$ 2.00 million during the course of its relationship with the said retailer. Sourcing from agricultural co-operatives and farmers co-operatives would also be considered in this category. The procurement requirement would have to be met, in the first instance, as an average of five years' total value of the manufactured/processed products purchased, beginning 1st April of the year during which the first tranche of FDI is received. Thereafter, it would have to be met on an annual basis.

(v) Self-certification by the Company, to ensure compliance of the conditions at serial nos. (ii), (iii) and (iv) above, which could be cross-checked, as and when required. The investors are required to maintain accounts, duly certified by statutory auditors.

(vi) Retail sales outlets may be set up only in cities with a population of more than 10lakh as per 2011 Census or any other cities as per the decision of the respective State Governments, and may also cover an area of 10 kms around the municipal/urban agglomeration limits of such cities; retail locations will be restricted to conforming areas as per the Master/Zonal Plans of the concerned cities and provision will be made for requisite facilities such as transport connectivity and parking.

(vii) Government will have the first right to procurement of agricultural products.

(viii) The above policy is an enabling policy only and the State Governments/Union Territories are permitted to take their own decisions in regard to implementation of the policy. Therefore, retail sales outlets may be set up in those States/Union Territories which have agreed, or agree in future, to allow FDI in multi-brand retail trading under this policy. The list of States/Union Territories which have conveyed their agreement are Andhra Pradesh, Assam, Delhi, Haryana, Himachal Pradesh, Jammu & Kashmir, Karnataka, Maharashtra, Manipur, Rajasthan, Uttarakhand, Daman & Diu and Dadra and Nagar Haveli (Union Territories). Such agreement, in future, to permit establishment of retail outlets under this policy, would be conveyed to the Government of India through the Department of Industrial Policy & Promotion and additions would be made in the states mentioned above accordingly. The establishment of the retail sales outlets will be in compliance of applicable State/Union Territory laws/ regulations, such as the Shops and Establishments Act etc.

(ix) Retail trading, in any form, by means of e-commerce, is not be permissible, for companies with FDI, engaged in the activity of multi-brand retail trading.

RBI has also issued the Master Directions on Foreign Investment dated January 4, 2018. In terms of the Master Directions, an Indian company may issue fresh shares to persons resident outside India (who are eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Directions. The Indian company making fresh issue of shares would be subject to certain reporting requirements, inter-alia with respect to consideration for issue of shares



and will also be required to making certain filings including filing of Form FC-GPR within 30 days from the issue of shares.



OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

OVERVIEW

Our Company was incorporated as “*Pentech Metals Private Limited*” on October 09, 2014 under the Companies Act, 2013 with the Registrar of Companies, Mumbai, Maharashtra bearing Registration No. 258618 and the certificate of incorporation was issued by the Registrar of Companies at Mumbai, Maharashtra. Our Company was converted into a public limited company pursuant to a special resolution passed by our Shareholders on January 28, 2019 and the name of our Company was changed to “*Pentech Metals Limited*”. Consequently, a fresh certificate of incorporation consequent upon change of name upon conversion into public company was issued by the RoC on February 06, 2019.

Our Company operates as a trader, stockiest and distributor of iron & steel products. Further, we have entered into Bailee agreement with a service provider who manufactures TMT bars for our Company as per requirements of our Customers.

Following is the classification of product offerings of our Company:



At present, we cater majorly to domestic markets. We have relations with dealers, traders and distributors who are well established in steel industry which help us gain long term benefits. We aim to expand our customer base by reaching out to new states and increasing the sales in existing states.

Our Company primarily operates from its Registered Office located at Office No.507, 5th Floor, The Summit Business Bay, Andheri A.K Road, Gondavali, Opp. Cinemax, Andheri; Mumbai – 400093. Further, we also have a godown / storage unit located at Gut no. 154 to 161 and 163 to 165, Wada Shahpur Road, Village Abitgarh, Taluka Wada, District Palghar – 421303. For further details of Our Properties refer to para titled Properties on page no. 83 of this Draft Prospectus.

As per our Restated Financial Statements, our Revenue from Operations was ₹ 47,100.88 lakhs for F.Y. 2015-16, ₹ 22,048.78 Lakhs for FY 2016-17, ₹ 26,949.04 Lakhs for FY 2017-18 and ₹ 15,208.01 Lakhs as on September 30, 2018. Our profit after tax was ₹ 19.48 Lakhs for FY 2015-16 and ₹ 31.40 Lakhs for FY 2016-17, ₹ 62.78 lakhs for FY 2017-18 and ₹ 53.20 Lakhs as on September 30, 2018.

MAJOR EVENTS IN THE HISTORY OF OUR COMPANY

Year	Event
2014	Incorporated under Companies Act, 2013 as Pentech Metals Private Limited
2017	Purchased Office Space in Kalamboli, Navi Mumbai
2018	Entered into Bailor Bailee Agreement for manufacturing TMT Bars and storing raw materials.
2019	Conversion from Private to Public



MAIN OBJECTS AS PER MEMORANDUM OF ASSOCIATION

Our Company's main objects as per the Memorandum of Association are as follows:

1. To carry on the business of Manufacturing, Dealers, Traders, Importers and exporters of all kind of metals including Stainless Steel, Iron and Steels, copper, brass alloys, Aluminum and other ferrous and non ferrous Metals.
2. To carry on in India or elsewhere the business of the manufacturers of and dealers in alloys, ferrous and non-ferrous metallic and non-metallic including Ferro manganese, Ferro chromium, Ferro molybdenum, Ferro phosphorous, Ferro silicon, Ferro titanium, Ferro tungsten, Ferro vanadium, silicon manganese metal, manganese, dioxide chemicals containing manganese, pig iron, steel, coke steel scrap, lead, copper , nickel, aluminum, zinc, tin, titanium and other metals and to carry on the business of founders, moulders, casters, mechanical engineers and manufacturers of agriculture implements and other light and heavy machinery, tool makers, brass founders, metal workers, boiler makers, millwrights, machinists, iron and steel converters, smiths, wood workers, builders, painters and metallurgists and to buy, sell, manufacture, export, import, repair, converts, alter, let on hire and deal in machinery, implements, rolling stock and hard ware.
3. To carry on the business of manufacturing, producing, casting, procuring, buying, selling, converting and in any other way dealing in iron and steel and to manufacture, buy, sell, import , export steel, steel castings, pig iron, steel alloys, ingots, billets, slabs, sheets, strips, rounds, bars, flat sections and shapes, brass, copper, aluminum, stainless steel and other non- ferrous metals and to carry on business as dealers, selling agents, marketing and distribution agents of the ferrous and non- ferrous metals, process materials, steel products like M.S. rounds, ingots, billets, steel castings and to deal in all scraps i.e. mild steel, carbon steel, stainless and other alloy steel scraps.
4. To carry on the business of manufacturing, producing, casting, procuring, mastering, buying, selling, converting, and in other ways dealing in all types of iron and steel, steel castings, pig iron, iron steel, alloy, ingots, billets, slabs, sheets, strips, rounds, bars, flats, sections and shapes, brass, copper, aluminium, stainless steel, and other non ferrous metals, to distill, refine or produce zinc, zinc ash, zinc oxide, zinc chloride etc

CHANGES IN REGISTERED OFFICE OF OUR COMPANY

Date of Change	Changed From	Change to	Reason for change
December 27, 2016	6th Floor, Flat 602 Simran Plaza, CTS E/829, JN of 3rd and 4th Road, Khar West; Mumbai – 400052	Office No.507, 5th Floor, The Summit Business Bay, Andheri A.K Road, Gondavali, Opp. Cinemax, Andheri – 400093	Administrative Reasons

AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION

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

DATE	NATURE OF AMMENDMENT
April 27, 2015	The initial authorized share capital of ₹ 5,00,00,000 divided into 50,00,000 Equity Shares of ₹ 10 each was increased to ₹ 20,00,00,000 divided into 2,00,00,000 Equity Shares of ₹ 10 each
January 28, 2018	Change in Name clause pursuant to Conversion from Private Limited to Public Limited.
February 08,2019	The authorized share capital of ₹ 20,00,00,000 divided into 2,00,00,000 Equity Shares of ₹ 10 each was increased to ₹ 25,00,00,000 divided into 2,50,00,000 Equity Shares of ₹ 10 each

SUBSIDIARIES

As on the date of this Draft Prospectus, there are no subsidiaries of our Company.



THE AMOUNT OF ACCUMULATED PROFIT/ (LOSSES) NOT ACCOUNTED FOR BY OUR COMPANY

There is no accumulated profit/ (losses) not accounted for by our Company.

HOLDING COMPANY

As on the date of this Draft Prospectus, there is no Holding Company of our Company.

JOINT VENTURES

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

REVALUATION OF ASSETS IN THE LAST TEN YEARS

There has been no revaluation of assets of our company in last 10 years from the date of this Draft Prospectus.

SHAREHOLDERS' AGREEMENT

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

ACQUISITION OF BUSINESS / UNDERTAKINGS

Our company has not acquired any of its business / undertaking in last 10 years from the date of this Draft Prospectus

DIVESTMENT OF BUSINESS / UNDERTAKING BY COMPANY IN THE LAST TEN YEARS

Our company has not divested any of its business / undertaking in last 10 years from the date of this Draft Prospectus

FINANCIAL PARTNERS

As on the date of this Draft 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.

DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS / BANKS

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

STRATEGIC PARTNERS

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

OTHER AGREEMENTS

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

INJUNCTIONS OR RESTRAINING ORDERS

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

OUR MANAGEMENT

Board of Directors:

Our Company has Five (5) Directors consisting of two (2) Executive Directors, (1) Non-Executive Director and two (2) Non-Executive Independent Directors. The following table sets forth the details of our Board of Directors as on the date of this Draft Prospectus:

Sr. No.	Name, Current Designation, Address, Occupation, Term and DIN	Nationality	Age	Other Directorships
1.	<p>Mrs. Tina Gandhi <i>Managing Director</i></p> <p>Address: 503, Palm Grove CHSL, Plot No.45, East Avenue Road, Santacruz (W), Mumbai - 400054.</p> <p>Date of Birth: July 11, 1980</p> <p>Date of appointment as Director: March 20, 2016</p> <p>Date of appointment as Managing Director: February 08, 2019</p> <p>Term: Appointed as Managing Director for a period of 3 years</p> <p>Occupation: Business</p> <p>DIN: 06909067</p>	Indian	38 Years	<ul style="list-style-type: none"> • Purpleblaze Productionz Private Limited • AVK Castings Private Limited
2.	<p>Mr. Sapan Kumar Paikray <i>Whole-time Director</i></p> <p>Address: Flat No. 104, First Floor, Sant Krupa Appartment, A Wing, Diva Shill Road, Diva (E), Thane - 400612.</p> <p>Date of Birth: May 26, 1989</p> <p>Date of appointment as Director: March 20, 2016</p> <p>Date of appointment as Whole-time Director: February 08, 2019</p> <p>Term: Appointed as Whole-time Director for a period of 3 years</p> <p>Occupation: Service</p> <p>DIN: 07582895</p>	Indian	29 Years	Nil
3.	<p>Mr. Girish Sangani <i>Non-Executive Director</i></p>	Indian	53 Years	Nil

Sr. No.	Name, Current Designation, Address, Occupation, Term and DIN	Nationality	Age	Other Directorships
	<p>Address: 203, Rudraksh, Nariman Road, Opp. Nariman Tower, Vile Parle (E), Mumbai – 400057.</p> <p>Date of Birth: October 08, 1965</p> <p>Date of Appointment as Non-Executive Director: January 01, 2019</p> <p>Term: Appointed as Non Executive Director for a period of 5 years i.e. till December 31, 2023.</p> <p>Occupation: Business</p> <p>DIN: 05176671</p>			
4.	<p>Mr. Amit Sheth <i>Non-Executive Independent Director</i></p> <p>Address: B – 55/56, Aashit Apts, Azad Road, Koliwada, Juhu, Mumbai - 400049.</p> <p>Date of Birth: January 16, 1978</p> <p>Date of Appointment as Non-Executive Director: January 01, 2019</p> <p>Term: Appointed as Non Executive Director for a period of 5 years i.e. till December 31, 2023.</p> <p>Occupation: Business</p> <p>DIN: 00092872</p>	Indian	41 Years	<ul style="list-style-type: none"> • Total Tools & Equipments Private Limited. • Unimeta Toolings Private Limited. • MTS Tooling Private Limited. • CNC Saw Sharpening Private Limited. • Asian Institute of Family Managed Business. • Nestincubate Technologies Private Limited. • Kitnekaa On-Line Trading Private Limited. • Lotusnest Private Limited. • Euromac Machines Private Limited. • ABM Machines India Private Limited.
5.	<p>Mr. Vishal Mehta <i>Non-Executive Independent Director</i></p> <p>Address: VIJ Kunj, Plot No. 281-301, Rsc 31, Gorai Sector 2, Borivali (W), Mumbai -400092.</p> <p>Date of Birth: July 12, 1977</p> <p>Date of Appointment as Non-Executive Independent Director: February 11, 2019</p> <p>Term: Liable to retire in ensuing Annual General Meeting.</p> <p>Occupation: Service</p> <p>DIN: 08356636</p>	Non-Resident Indian	41 Years	Nil

For further details on their qualification, experience etc., please see their respective biographies under the heading “*Brief Biographies*” below:

Notes:

- There are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the Directors were selected as a Director.
- There is no service contracts entered into by the Directors with our Company providing for benefits upon termination of employment.
- None of the Directors is or was a director of any listed company during the last five years preceding the date of this Draft Prospectus, whose shares have been or were suspended from being traded on the BSE or the NSE, during the term of their directorship in such company.
- None of the Directors is or was a director of any listed company which has been or was delisted from any recognized stock exchange in India during the term of their directorship in such company.
- None of the Directors is categorized as a wilful defaulter, as defined under SEBI (ICDR) Regulations.

BRIEF BIOGRAPHIES OF OUR DIRECTORS

Mrs. Tina Gandhi

Mrs. Tina Gandhi, aged 38 years, is the Promoter and Managing Director of our Company. She has completed her Bachelor of Commerce (B.Com) from University of Mumbai in the year 2001. She has an experience of over a decade in Metal Industry. As a Managing Director of our Company, she is responsible for overall growth, strategy and day to day management and business activities of our Company. Her leadership abilities have been instrumental in growth and development of our Company.

Mr. Sapan Kumar Paikray

Mr. Sapan Kumar Paikray, aged 29 years, is the Whole-time Director of our Company. He is a Diploma Holder. He has a rich experience in marketing and sales. He was associated with certain MNC’s. He has also overseen growth of our Company in various areas of management. On the backdrop of working with Company he has been able to maintain robust growth and a name of our Company among other major metals players in the vicinity.

Mr. Girish Sangani

Mr. Girish Sangani, aged 53 years is the Non – Executive Director of our Company. He is a Mechanical Engineer. He has a vast experience of around three decades in steel and iron industry. He is associated with IPH Ispat LLP. He is responsible for providing his expertise in Administration related issues of our Company.

Mr. Amit Sheth

Mr. Amit Sheth, aged 41 years, is the Non – Executive Independent Director of our Company. He has done his Masters in Management. He has a vast and rich experience of 15 years in machine tools industry. He is also director at Total Tools & Equipments Private Limited. As the Independent Director of our Company he is responsible for providing his expertise & Inputs, for ensuring that the board adheres to the required corporate governance requirements.

Mr. Vishal Mehta

Mr. Vishal Mehta, aged 41 years is the Non-Executive Independent Director of our Company. He is a Graduate. He has over two decades of vast experience in the field of marketing. As the Independent Director of our Company he is

responsible for providing his expertise & Inputs, for ensuring that the board adheres to the required corporate governance requirements.

RELATIONSHIP BETWEEN DIRECTORS

None of the Directors of the Company are related to each other:

Borrowing Powers of our Board of Directors

Our Company at its Extra-Ordinary General Meeting held with shorter notice on February 08, 2019 passed a resolution authorizing Board of Directors pursuant to the provisions of section 180 (1) (c) of the Companies Act, 2013 for borrowing from time to time any sum or sums of money from any person(s) or bodies corporate (including holding Company) or any other entity, whether incorporated or not, on such terms and conditions as the Board of Directors may deem fit for the purpose of the Company's business. The monies so borrowed together with the monies already borrowed by our Company (apart from temporary loans obtained from the banks in the ordinary course of business) may exceed the aggregate of the paid up share capital of our Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount of such borrowings together with the amount already borrowed and outstanding shall not, at any time, exceed ₹ 100 crores.

REMUNERATION OF EXECUTIVE DIRECTORS

Mrs. Tina Gandhi, Managing Director

The remuneration of our Managing Director, Mrs. Tina Gandhi as per resolution passed in the General Meeting held with shorter notice on February 08, 2019 is detailed hereunder:

Basic Salary: ₹ 15.00 lakhs per annum

Perquisites, Allowances:

In addition to the basic salary mentioned above, Mrs. Tina Gandhi will be entitled to the following perquisites and allowances which will not be included in the computation of ceiling on the remuneration specified above:

- House Rent Allowance (HRA)
- Conveyance Allowance (CA)
- Phone Allowance (PA)

Remuneration paid to Mrs. Tina Gandhi for FY 2017-18 was ₹ 18.00 Lakhs.

Mr. Sapan Paikray, Whole-time Director

The remuneration of our Whole-time Director, Mr. Sapan Kumar Paikray as per resolution passed in General Meeting held with shorter notice on February 08, 2019 is detailed hereunder:

Basic Salary: ₹ 0.15 lakhs per annum

Perquisites, Allowances:

In addition to the basic salary mentioned above, Mr. Sapan Kumar Paikray will be entitled to the following perquisites and allowances which will not be included in the computation of ceiling on the remuneration specified above:

- House Rent Allowance (HRA)
- Conveyance Allowance (CA)
- Phone Allowance (PA)



Remuneration paid to Mr. Sapan Kumar Paikray for FY 2017-18 was ₹ 1.68 Lakhs.

Compensation to the Non-Executive Directors

Pursuant to a resolution passed at the meeting of the Board of the Company on February 11, 2019 the Non-Executive Directors will be paid ₹ 2,000/- for attending every Board Meeting of the Company and ₹ 2,000/- will be paid for every committee meeting of the Company attended by them.

Remuneration paid to our Non-Executive Directors in Fiscal 2018: Nil

Compensation to Managing Director and WTD form Subsidiary or Associate Companies

Our Managing Director and WTD are not drawing remuneration from any subsidiary / associate companies.

Shareholding of Directors

The following table sets forth the shareholding of our Directors as on the date of this Draft Prospectus:

Name of Directors	No. of Equity Shares held	% of Pre-Issue Paid Up Capital
Mrs. Tina Gandhi	1,99,90,000	99.95%
Mr. Sapan Kumar Paikray	-	-
Mr. Girish Chimanlal Sangani	1,000	0.01%
Total	1,99,91,000	99.96%

Interest of the Directors

All of our Directors may be deemed to be interested to the extent of fees payable to them for attending meetings of the Board or a committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them under our Articles of Association, and to the extent of remuneration paid to them for services rendered as an officer or employee of our Company.

Our Directors may also be regarded as interested in the Equity Shares, if any, held by them or allotted to the companies in which they are interested as Directors, Members, and Promoter, pursuant to this issue. All of our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

Except as stated in this chapter titled “*Our Management*” and “*Annexure XXII- Related Party Transactions*” within the chapter titled *Financial Statements as Restated*” beginning on page nos. 95 and 113 of this Draft Prospectus respectively, our Directors do not have any other interest in our business.

Except as disclosed in “*Properties*” within the chapter titled “*Our Business*” beginning on page no. 73 of this Draft Prospectus, our Directors have no interest in any property acquired by our Company within two years of the date of this Draft Prospectus. Further, except as disclosed in “*Properties*” within the chapter titled “*Our Business*” beginning on page no. 73 of this Draft Prospectus, our Company has not taken any property on lease from our Promoter within two years of the date of this Draft Prospectus.

Changes in the Board of Directors in the last three years

Following are the changes in our Board of Directors in the last three years:

Sr. No.	Name of Director	Date of Change	Reason for change
1.	Mrs. Tina Gandhi	February 08, 2019	Change in Designation as Managing Director
2.	Mr. Sapan Kumar Paikray	February 08, 2019	Change in Designation as Whole-time Director
3.	Mr. Girish Sangani	January 01, 2019	Appointment as Non Executive Director



Sr. No.	Name of Director	Date of Change	Reason for change
4.	Mr. Amit Sheth	January 01, 2019	Appointment as Non Executive Independent Director
5.	Mr. Vishal Mehta	February 11, 2019	Appointment as Non Executive Independent Director

Corporate Governance

The provisions of the SEBI (LODR) Regulations, 2015 with respect to corporate governance will be applicable to us immediately upon the listing of our Equity Shares with the Stock Exchanges. We are in compliance with the requirements of the applicable regulations, including the SEBI (LODR) Regulations, 2015, the SEBI Regulations and the Companies Act, in respect of corporate governance including constitution of the Board and committees thereof. The corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law.

Our Board has been constituted in compliance with the Companies Act and SEBI (LODR) Regulations, 2015. The Board functions either as a full board or through various committees constituted to oversee specific functions. Our executive management provides our Board detailed reports on its performance periodically.

Currently, our Board has five (5) Directors. In compliance with the requirements of the Companies Act we have two (2) Executive Directors, one (1) Non-Executive Director and two (2) Non-Executive Independent Directors on our Board and we have a woman director on our Board.

Committees of our Board

We have constituted the following committees of our Board of Directors for compliance with Corporate Governance requirements:

1. Audit Committee
2. Stakeholder's Relationship Committee
3. Nomination and Remuneration Committee

1. Audit Committee

The Audit Committee of our Board was constituted by our Directors by a board resolution dated February 09, 2019 pursuant to section 177 of the Companies Act, 2013.

The Audit Committee comprises of:

Name of the Member	Nature of Directorship	Designation in Committee
Mr. Amit Sheth	Non Executive Independent Director	Chairman
Mr. Vishal Mehta	Non Executive Independent Director	Member
Mrs. Tina Gandhi	Managing Director	Member

The scope of Audit Committee shall include but shall not be restricted to the following:

- a) Oversight of the Issuer's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- b) Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- d) Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:

- Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013
 - Changes, if any, in accounting policies and practices and reasons for the same
 - Major accounting entries involving estimates based on the exercise of judgment by management
 - Significant adjustments made in the financial statements arising out of audit findings
 - Compliance with listing and other legal requirements relating to financial statements
 - Disclosure of any related party transactions
 - Qualifications in the draft audit report.
- e) Reviewing, with the management, the half yearly financial statements before submission to the board for approval
- f) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/Draft Prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- g) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- h) Approval or any subsequent modification of transactions of the company with related parties;
- i) Scrutiny of inter-corporate loans and investments;
- j) Valuation of undertakings or assets of the company, wherever it is necessary;
- k) Evaluation of internal financial controls and risk management systems;
- l) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- m) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- n) Discussion with internal auditors any significant findings and follow up there on.
- o) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- p) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- q) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- r) To review the functioning of the Whistle Blower mechanism.
- s) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
- t) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Explanation (i): The term "related party transactions" shall have the same meaning as contained in the Accounting Standard 18, Related Party Transactions, issued by The Institute of Chartered Accountants of India.

Explanation (ii): If the Issuer has set up an audit committee pursuant to provision of the Companies Act, the said audit committee shall have such additional functions / features as is contained in this clause.

The Audit Committee enjoys following powers:

- a) To investigate any activity within its terms of reference
- b) To seek information from any employee
- c) To obtain outside legal or other professional advice
- d) To secure attendance of outsiders with relevant expertise if it considers necessary
- e) The audit committee may invite such of the executives, as it considers appropriate (and particularly the head of the finance function) to be present at the meetings of the committee, but on occasions it may also meet without the presence of any executives of the Issuer. The finance director, head of internal audit and a representative of the statutory auditor may be present as invitees for the meetings of the audit committee.

The Audit Committee shall mandatorily review the following information:

- a) Management discussion and analysis of financial condition and results of operations;
- b) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d) Internal audit reports relating to internal control weaknesses; and
- e) The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

The Company Secretary of the Company acts as the Secretary to the Committee.

Quorum and Meeting of Audit Committee

The audit committee shall meet at least four times in a year and not more than one hundred and twenty days shall elapse between two meetings. The quorum shall be either two members or one third of the members of the audit committee whichever is greater, but there shall be a minimum of two independent members present. Since the formation of the committee, no Audit Committee meetings have taken place.

2. Stakeholder's Relationship Committee

The Stakeholder's Relationship Committee of our Board was constituted by our Directors pursuant to section 178 (5) of the Companies Act, 2013 by a board resolution dated February 09, 2019.



The Stakeholder's Relationship Committee comprises of:

Name of the Member	Nature of Directorship	Designation in Committee
Mr. Girish Sangani	Non Executive Director	Chairman
Mr. Amit Sheth	Non Executive Independent Director	Member
Mr. Vishal Mehta	Non Executive Independent Director	Member

This committee will address all grievances of Shareholders/Investors and its terms of reference include the following:

- a) Allotment and listing of our shares in future
- b) 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;
- c) 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;
- d) Reference to statutory and regulatory authorities regarding investor grievances;
- e) To otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
- f) And to do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers.

The Company Secretary of our Company acts as the Secretary to the Committee.

Quorum and Meetings of Stakeholder's Relationship Committee

The quorum necessary for a meeting of the Stakeholders Relationship Committee shall be two members or one third of the members, whichever is greater. Since the formation of the committee, no Stakeholders Relationship Committee meetings have taken place.

3. Nomination and Remuneration Committee

The Nomination and Remuneration Committee of our Board was constituted by our Directors pursuant to section 178 of the Companies Act, 2013 by a board resolution dated February 09, 2019.

The Nomination and Remuneration Committee currently comprises of:

Name of the Member	Nature of Directorship	Designation in Committee
Mr. Vishal Mehta	Non Executive Independent Director	Chairman
Mr. Amit Sheth	Non Executive Independent Director	Member
Mr. Girish Sangani	Non Executive Director	Member

The scope of Nomination and Remuneration Committee shall include but shall not be restricted to the following:

- a) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- b) Formulation of criteria for evaluation of Independent Directors and the Board;
- c) Devising a policy on Board diversity

- d) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.

Quorum and Meetings of Nomination and Remuneration Committee

The quorum necessary for a meeting of the Nomination and Remuneration Committee shall be two members or one third of the members, whichever is greater. The Committee is required to meet at least once a year.

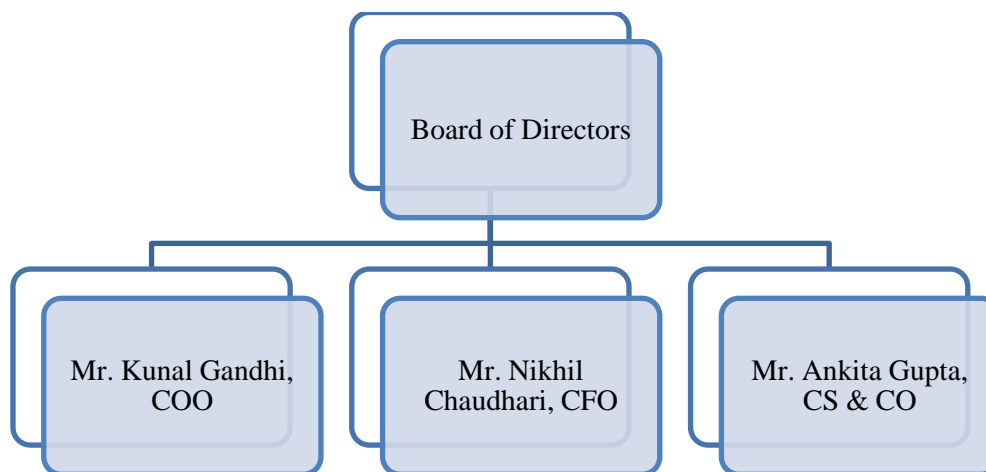
The Company Secretary of our Company acts as the Secretary to the Committee.

Policy on Disclosures & Internal procedure for prevention of Insider Trading

The provisions of Regulation 8 and 9 of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on the Stock Exchange. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of our Equity Shares on stock exchange. Further, Board of Directors have approved and adopted the policy on insider trading in view of the proposed public offer.

Our Board is responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the code of conduct under the overall supervision of the board.

Management Organization Structure



Terms & Abbreviations

CFO	: Chief Financial Officer
COO	: Chief Operating Officer
CS	: Company Secretary

Key Managerial Personnel

The details of our key managerial personnel are as below –

Name of Employee	Designation & Functional Area	Date of Appointment	Compensation for Last Fiscal (₹ in lakhs)	Qualification	Name of Previous Employer(s)	Total years of Experience
Mr. Kunal Gandhi	Chief Operating Officer	February 06, 2019	18.00	B.Com	N.A.	15 Years



Name of Employee	Designation & Functional Area	Date of Appointment	Compensation for Last Fiscal (₹ in lakhs)	Qualification	Name of Previous Employer(s)	Total years of Experience
Mr. Nikhil Chaudhari	Chief Financial Officer	February 06, 2019	1.55	B.Com	N.A.	4 Years
Ms. Surabhi Agrawal	Company Secretary & Compliance Officer	February 06, 2019	Nil	B.Com & Company Secretary	M/s Ashish Karodia & Co.	15 Months (Internship)

⁽¹⁾ Mr. Kunal Gandhi was appointed as Chief Operating Officer on February 06, 2019.

⁽²⁾ Mr. Nikhil Chaudhari was appointed as Chief Financial Officer on February 06, 2019.

⁽³⁾ Ms. Surabhi Agrawal was appointed as Company Secretary and Compliance Officer on February 06, 2019.

Other Notes –

The aforementioned KMP are on the payrolls of our Company as permanent employees. Also, they are not related parties as per the Accounting Standard 18.

Relationship amongst the Key Managerial Personnel

None of the aforementioned KMP's are related to each other, Also, none of them have been selected pursuant to any arrangement/ understanding with major shareholders/ customers/ suppliers.

Shareholding of Key Managerial Personnel

None of our KMP's holds any shares of our Company as on the date of this Draft Prospectus.

Interest of Key Managerial Personnel

The Key Managerial Personnel of our Company do not have any interest in our Company, other than to the extent of remuneration of benefits to which they are entitled as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business. Further, if any Equity Shares are allotted to our Key Managerial Personnel prior to / in terms of this Issue, they will be deemed to be interested to the extent of their shareholding and / or dividends paid or payable on the same. For further details in relation to loan and interest, please refer “Financial Statements- Annexure XXVI - Schedule of Related Party Transactions” beginning on page no. 129 of this Draft Prospectus.

Bonus or Profit Sharing Plan for the Key Managerial Personnel during the last three years

Our Company does not have fixed bonus / profit sharing plan for any of the employees or key managerial personnel.

Loans taken by Key Management Personnel

None of our Key Managerial Personnel have taken any loan from our Company.

Employee Share Purchase and Employee Stock Option Scheme

Presently, we do not have ESOP / ESPS scheme for employees.

Payment or Benefit to our Officers

Except for the payment of salaries, yearly bonus and certain incentives, if any, we do not provide any other benefits to our employees.



Changes in the Key Managerial Personnel in the three years preceding the date of filing this Draft Prospectus

Except as disclosed below, there has been no change in KMPs in past three years from the date of this Draft Prospectus:

Name of Employee	Designation & Functional Area	Date of Appointment/ Date of Change in Designation
Ms. Surabhi Agrawal	Company Secretary	February 06, 2019
Mr. Nikhil Chaudhari	Chief Financial Officer	February 06, 2019
Mr. Kunal Gandhi	Chief Operating Officer	February 06, 2019


OUR PROMOTER AND PROMOTER GROUP

THE PROMOTER OF OUR COMPANY IS:

Mrs. Tina Gandhi

As on the date of this Draft Prospectus, our Promoter holds 1,99,90,000 Equity Shares in aggregate, representing 99.95% of the issued, subscribed and paid-up Equity Share capital of our Company.

The details of our Promoter are provided below:

	Mrs. Tina Gandhi
	Brief Profile: Mrs. Tina Gandhi, aged 38 years, is the Promoter and Managing Director of our Company. She has completed her Bachelor of Commerce (B.Com) from University of Mumbai in the year 2001. She has an experience of over a decade in Metal Industry. As a Managing Director of our Company, she is responsible for overall growth, strategy and day to day management and business activities. Her leadership abilities have been instrumental in growth and development of our Company.
	Date of Birth: 11.07.1980
	Address: 503, Palm Grove CHSL, Plot No.45, East Avenue Road, Santacruz (W), Mumbai – 400054
	PAN: AHEPG1283G
	Passport No.: Z4235619
	Driver's License: MH0220150021804
	Aadhaar Card No.: 863006670762
	Bank A/c No.: 7911827443
	Name of Bank & Branch: Kotak Mahindra Bank, Mumbai – JVPD Branch
	Other Directorship: Purpleblaze Productionz Private Limited, AVK Castings Private Limited

For additional details on the age, background, personal address, educational qualifications, experience, positions / posts, other ventures and Directorships held in the past for our Individual Promoter, please see the chapter titled “Our Management” beginning on page no. 95 of this Draft Prospectus.

For details of the build-up of our Promoter shareholding in our Company, please see Chapter titled “Capital Structure” beginning on page no 44 of this Draft Prospectus.

Other Undertakings and Confirmations

We confirm that the Permanent Account Number, Bank Account number and Passport number of our Promoter will be submitted to the Stock Exchange at the time of filing of the Draft Prospectus with the Stock Exchange.

Our Promoter and the members of our Promoter Group have confirmed that they have not been identified as wilful defaulters by the RBI or any other governmental authority.

No violations of securities laws have been committed by our Promoter or members of our Promoter Group or any Group Companies in the past or are currently pending against them. None of (i) our Promoter and members of our Promoter Group or persons in control of or on the boards of bodies corporate forming part of our Group Companies (ii) the Companies with which any of our Promoter are or were associated as a promoter, director or person in control, are debarred or prohibited from accessing the capital markets or restrained from buying, selling, or dealing in securities under any order or directions passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad.

Change in control of our Company

There has been no change in the promoter and control of our Company in the five years immediately preceding the date of this Draft Prospectus.

Interests of Promoter

Our Promoter does not have any interest in our Company except to the extent of compensation payable / paid and reimbursement of expenses and to the extent of any equity shares held by her or her relatives and associates or held by the companies, firms and trusts in which she is interested as director, member, partner, and / or trustee, and to the extent of benefits arising out of such shareholding. For further details on the interest of our promoter in our Company, Please see the chapters titled “*Capital Structure*”, “*Financial Statements as Restated*” and “*Our Management*” beginning on page nos. 44, 113 and 95 of this Draft Prospectus.

Except as stated otherwise in this Draft Prospectus, we have not entered into any contract, agreements or arrangements in which our Promoter is directly or indirectly interested and no payments have been made to her in respect of the contracts, agreements or arrangements which are proposed to be made with her including the properties purchased by our Company other than in the normal course of business.

For Further details on the related party transaction, to the extent of which our Company is involved, please see “*Annexure XXVI - Statement of Related Party Transaction*” on page no. 129 of this Draft Prospectus.

Common Pursuits of our Promoter

Some of our Promoter Group Companies have been authorized by its respective Memorandum of Associations to undertake activities which are similar to ours and are currently engaged in businesses similar to ours.

Following is the Promoter Group Companies whose main objects are similar to ours and this may result in potential conflicts of interest with our Company in the future:

- AVK Castings Private Limited

Companies with which the Promoter has disassociated in the last three years.

Our Promoter has not disassociated herself from any companies, firms or entities during the last three years preceding the date of this Draft Prospectus.

Payment of Amounts or Benefits to the Promoter or Promoter Group during the last two years

Except as stated in “*Annexure XXVI – Statement of Related Party Transactions*” under the chapter “*Financial Statements*” on page no. 129 of this Draft Prospectus, there has been no other payment of benefits to our Promoter during the two years preceding the date of this Draft Prospectus.

Experience of our Promoter in the business of our Company

For details in relation to experience of our Promoter in the business of our Company, see Chapter “*Our Management*” beginning on page no. 95 of this Draft Prospectus.

Interest of Promoter in the Promotion of our Company

Our Company is currently promoted by the promoter in order to carry on its present business. Our Promoter is interested in our Company to the extent of her shareholding in our Company and the dividend declared, if any, by our Company.

Interest of Promoter in the Property of our Company

Our Promoter has confirmed that she does not have any interest in any property acquired by our Company within three years preceding the date of this Draft Prospectus or proposed to be acquired by our Company as on the date of this Draft Prospectus. For details, please see “*Properties*” and “*Annexure XXVI - Related Party Transactions*” on page nos. 83 and 129, respectively, of this Draft Prospectus.

Our Promoter may be interested in rent being paid by our Company to the promoter who owns the registered office and investment property being occupied by the Company. For further details please see “*Our Business*” and “*Financial Statements as Restated*” beginning on page nos. 73 and 113 of this Draft Prospectus.

Interest of Promoter in our Company other than as Promoter

Other than as Promoter, our Promoter is interested in our Company to the extent of her shareholding in our Company and the dividend declared, if any, by our Company. For details please see chapters titled “*Our Management*” and “*Capital Structure*” beginning on page nos. 95 and 44 respectively of this Draft Prospectus.

Except as mentioned in this section and the chapters titled “*Capital Structure*”, “*Our Business*”, “*Our History and Certain Corporate matters*” and “*Annexure XXVI – Statement of Related Party Transactions*” on page nos. 44, 73, 92 and 129 of this Draft Prospectus, respectively, our Promoter do not have any interest in our Company other than as promoter.

Related Party Transactions

Except as stated in the “*Annexure XXVI – Statement of Related Party Transactions*” on page no. 129 of this Draft Prospectus, our Company has not entered into related party transactions with our Promoter.

Material Guarantees

Except as stated in the “*Financial Indebtedness*” and “*Financial Statements as Restated*” beginning on page nos. 144 and 113 of this Draft Prospectus respectively, our Promoter has not given any material guarantee to any third party with respect to the Equity Shares as on the date of this Draft Prospectus.

Shareholding of the Promoter Group in our Company

For details of shareholding of members of our Promoter Group as on the date of this Draft Prospectus, please see the chapter titled “*Capital Structure – Notes to Capital Structure*” beginning on page no. 45 of this Draft Prospectus.

Other Confirmations

Our Company has neither made any payments in cash or otherwise to our Promoter or to firms or companies in which our Promoter is interested as members, directors or promoter nor have our Promoter been offered any inducements to become directors or otherwise to become interested in any firm or company, in connection with the promotion or formation of our Company otherwise than as stated in the “*Annexure XXVI – Statement of Related Party Transactions*” on page no. 129 of this Draft Prospectus.

Outstanding Litigation

There is no outstanding litigation against our Promoter except as disclosed in the section titled “*Risk Factors*” and chapter titled “*Outstanding Litigation and Material Developments*” beginning on page nos. 17 and 146 of this Draft Prospectus.

OUR PROMOTER GROUP

In addition to the Promoter named above, the following natural persons and entities form part of our Promoter Group in terms of Regulation 2(1)(pp) of the SEBI (ICDR) Regulation, 2018.

A. Natural Persons who are Part of the Promoter Group

Name of the Promoter	Name of the Relative	Relationship with the Promoter
Mrs. Tina Gandhi	Mr. Mahavir Patravali	Father
	Mrs. Rajni Patravali	Mother
	Mr. Kunal Gandhi	Husband
	Mr. Siddharth Patravali	Brother(s)
	Master Viaan Gandh and Master Arran Gandhi	Son(s)
	Mr. Kishore Gandhi	Husband's Father
	Mrs. Rupa Gandhi	Husband's Mother
	Mr. Bhumit Gandhi	Husband's Brother(s)

B. Companies / Corporate Entities forming part of the Promoter Group

Company / Trust / Partnership firm / HUF or Sole Proprietorship shall form part of our Promoter Group.

Sr. No.	Name of Promoter Group Entity / Company
1.	Magnum Steel
2.	Pentech Corporation
3.	Purpleblaze Productionz Private Limited
4.	AVK Castings Private Limited



OUR GROUP COMPANY

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.

Pursuant to a Board resolution dated February 09, 2019 the Board formulated a policy with respect to companies which it considered material to be identified as group companies. Our Board has approved that all companies with whom our Company has entered into one or more transactions in the last audited financial year, cumulatively exceeding 1% of the total revenue of the Company for the last audited financial year.

Further, 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.

Based on the above; as on the date of this Draft Prospectus; we do not have any Group Company



DIVIDEND POLICY

Under the Companies Act, 2013, our Company can pay dividends upon a recommendation by our Board of Directors and approval by a majority of the shareholders at the General Meeting. The shareholders of our Company have the right to decrease, not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends.

There are no dividends declared by our Company since incorporation.

Our Company does not have any formal dividend policy for the Equity Shares. The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

SECTION VI- FINANCIAL STATEMENTS

FINANCIAL STATEMENTS AS RESTATED

To,
The Board of Directors
Pentech Metals Limited
Office No. 507, 5th Floor, The Summit Business Bay
Andheri, A.K. Road, Opp. Cinemax, Gundavali
Andheri (East), Mumbai – 400093.

Dear Sirs,

Re.: Proposed Public Issue of Equity Shares of Pentech Metals Limited

1. We have examined Financial Statements and Other Financial Information of Pentech Metals Limited (the ‘Company’) formerly known as Pentech Metals Private Limited, taking into consideration the terms of reference and terms of our engagement agreed upon with you in connection with the proposed IPO of the Company and the Guidance Note (Revised) on Reports in Company Prospectuses issued by the Institute of Chartered Accountants of India.
2. The said Restated Financial Statements and other Financial Information have been prepared for the purposes of inclusion in the Prospectus in connection with the proposed Initial Public Offer (‘IPO’) of the Company in accordance with the requirements of:
 - i) Sub-clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 read with applicable provisions within Rule 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended (hereinafter referred to as the ‘Act’);
 - ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 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) The terms of reference to our engagements with the Company requesting us to carry out the assignment, in connection with the Draft Red Herring Prospectus/ Red Herring Prospectus / Prospectus being issued by the Company for its proposed IPO of equity shares on SME Platform of BSE Limited; and
 - iv) The Guidance Note on Reports in Company Prospectus (Revised) issued by the Institute of Chartered Accountants of India (“Guidance Note”).
3. In accordance with the requirements of Part I of Chapter III of Act including rules made there under, ICDR Regulations, Guidance Note and Engagement Letter, we report that:
 - i) The “Restated Summary Statement of Assets and Liabilities” as set out in Annexure I to this report, of the Company as at September 30, 2018 and for the Financial Years Ended March 31, 2018, 2017 and 2016 is prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Assets and Liabilities, have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV & V to this Report.
 - ii) The “Restated Summary Statement of Profit and Loss” as set out in Annexure II to this report, of the Company for the period ended from September 30, 2018 and for the Financial Years Ended March 31, 2018, 2017 and 2016 is prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Profit and Loss have been arrived at after making such adjustments and regroupings

to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV & V to this Report.

- iii) The “Restated Summary Statement of Cash Flow” as set out in Annexure III to this report, of the Company for the period ended from September 30, 2018 and for the Financial Years Ended March 31, 2018, 2017 and 2016 is prepared by the Company and approved by the Board of Directors. These Statement of Cash Flow, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV & V to this Report.
4. Based on the above and also as per the reliance placed by us on the audited financial statements of the Company and report thereon given by M/s. RSRV & Associates, Chartered Accountants, being the Statutory Auditors of the Company for the Financial Years Ended March 31, 2018, 2017, 2016, period ended September 30, 2018 audited and Financial Year Ended March 31, 2018 re-audited by us we are of the opinion that:
- i) The Restated Summary Statements have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial period/years to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any;
 - ii) The Restated Summary Statements have been made after incorporating adjustments for prior period and other material amounts in the respective financial years/period to which they relate and there are no qualifications which require adjustments;
 - iii) Extra-ordinary items that needs to be disclosed separately in the accounts has been disclosed wherever required;
 - iv) There were no qualifications in the Audit Reports issued by the Statutory Auditors for the Period Ended September 30, 2018 and Financial Year Ended March 31, 2018, 2017 and 2016 which would require adjustments in this Restated Financial Statements of the Company;
 - v) Profits and losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Polices and Notes to Accounts as set out in Annexure IV to this report;
 - vi) Adjustments in Restated Summary Statements have been made in accordance with the correct accounting policies,
 - vii) There was no change in accounting policies, which needs to be adjusted in the Restated Summary Statements;
 - viii) There are no revaluation reserves, which need to be disclosed separately in the Restated Financial Statements;
 - ix) The Company has not paid any dividend since its incorporation.

Opinion:

1. In our opinion and to the best of information and explanation provided to us, the restated financial information of the Company, read with significant accounting policies and notes to accounts as appearing in Annexure IV are prepared after providing appropriate adjustments and regroupings as considered appropriate.
2. Audit for the period from April 01, 2018 to September 30, 2018 has been conducted by us and we have re-audited Financials for the Year Ended March 31, 2018. Further financial statements for the period ended on September 30, 2018 have been audited by us as per the relevant guidelines.

3. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company for the financial period ended on September 30, 2018, and for the Financial Year Ended March 31, 2018, 2017 and 2016 proposed to be included in the Draft Prospectus / Prospectus (“Offer Document”) for the proposed IPO.

Annexure of Restated Financial Statements of the Company:-

- i) Statement of Share Capital, as restated (Annexure - VI)
- ii) Statement of Reserves & Surplus, as restated (Annexure - VII)
- iii) Statement of Long Term Borrowings, as restated (Annexure- VIII)
- iv) Statement of Deferred Tax Liabilities, as restated (Annexure- IX)
- v) Statement of Short Term Borrowings, as restated (Annexure- X)
- vi) Statement of Trade Payable, as restated (Annexure- XI)
- vii) Statement of Other Current Liabilities, as restated (Annexure- XII)
- viii) Statement of Short Term Provisions, as restated (Annexure- XIII)
- ix) Statement of Fixed Assets, as restated (Annexure- XIV)
- x) Statement of Other Non-Current Investments As Restated (Annexure – XV)
- xi) Statement of Deferred Tax Assets, As Restated (Annexure – XVI)
- xii) Statement of Long Term Loans & Advances As Restated (Annexure – XVII)
- xiii) Statement of Inventories, as restated (Annexure – XVIII)
- xiv) Statement of Trade Receivables, as restated (Annexure - XIX)
- xv) Statement of Cash and Cash Equivalents, as restated (Annexure - XX)
- xvi) Statement of Short Term Loans & Advances, as restated (Annexure - XXI)
- xvii) Statement of Other Current Assets, as restated (Annexure - XXII)
- xviii) Statement of Revenue from Operations, as restated (Annexure – XXIII)
- xix) Statement of Other Income as restated (Annexure – XXIV)
- xx) Statement of Dividend Declared, As Restated (Annexure XXV)
- xxi) Statement of Related Party Transactions, as restated (Annexure – XXVI)
- xxii) Statement of Capitalization, as restated (Annexure – XXVII)
- xxiii) Statement of Accounting Ratios, as restated (Annexure – XXVIII)
- xxiv) Statement of Contingent Liabilities, As Restated (Annexure XXIX)
- xxv) Statement of Tax Shelter, as restated (Annexure XXX)

1. We, M/s. V J Shah & Co., Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (“ICAI”) and hold a valid peer review certificate issued by the “Peer Review Board” of the ICAI.
2. The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company and are in accordance with the provisions of the Act and ICDR Regulations. The Financial Statements and information referred to above is the responsibility of the management of the Company.
3. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.
4. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
5. In our opinion, the above financial information contained in Annexure I to XXX of this report read with the respective Significant Accounting Policies and Notes to Accounts as set out in Annexure IV & V are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations, Engagement Letter and Guidance Note.



-
6. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the IPO. Our report should not be used, referred to or adjusted for any other purpose except with our consent in writing.

For V J Shah & Co.,
Chartered Accountants
(Firm Registration No. 109823W)

Vidyut Shah
Partner
Membership No: 033322

Place: Mumbai
Date: February 18, 2019



Annexure I
STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED

(₹ in lakhs)

Particulars	As at September 30, 2018	As at March 31,		
		2018	2017	2016
EQUITY AND LIABILITIES				
Shareholder's funds				
a) Share Capital	2,000.00	2,000.00	2,000.00	2,000.00
b) Reserves and surplus	179.54	126.35	63.57	32.17
Non-current liabilities				
a) Long term borrowings	319.78	245.12	361.27	111.44
b) Deferred Tax Liabilities (Net)	1.43	1.05	0.47	-
Current liabilities				
a) Short-term borrowings	288.40	293.43	-	1.38
b) Trade payables	2,819.86	3,054.71	4,330.28	3,343.01
c) Other current liabilities	866.94	83.61	81.94	741.03
d) Short-term provisions	24.19	32.61	5.72	15.84
TOTAL	6,500.17	5,836.89	6,843.25	6,244.86
ASSETS				
Non - Current Assets				
a) Fixed Assets				
i.) Tangible assets	47.28	49.69	41.94	39.51
ii) Intangible Assets	-	-	-	-
iii) Capital Work in Progress	-	-	-	-
b) Non Current Investment	10.45	10.45	-	-
c) Deferred Tax Assets	-	-	-	0.08
d) Long term loans & Advances	13.00	13.00	13.00	0.50
Current Assets				
a) Inventories	294.96	387.17	163.37	-
b) Trade Receivables	5,692.14	5,248.34	6,483.82	6,187.72
c) Cash and Cash equivalents	48.38	88.95	27.97	14.56
d) Short-term loans and advances	1.55	1.05	1.65	2.49
e) Other Current Assets	392.41	38.24	111.50	-
TOTAL	6,500.17	5,836.89	6,843.25	6,244.86



Annexure II
STATEMENT OF PROFIT AND LOSS ACCOUNT, AS RESTATED

(₹ in lakhs)

Particulars	As at September 30, 2018	As at March 31,		
		2018	2017	2016
REVENUE:				
Revenue from Operations	15,208.01	26,949.04	22,048.78	47,100.88
Other Income	0.67	23.02	0.10	-
Total revenue	15,208.68	26,972.06	22,048.88	47,100.88
EXPENSES:				
Cost of Material Consumed	14,929.38	26,813.48	21,904.89	46,679.18
Changes in Inventory	92.21	(223.80)	(163.37)	-
Employee Benefit Expenses	26.49	55.57	42.93	45.25
Financial Cost	48.98	81.68	132.49	42.56
Depreciation & Amortisation cost	3.14	6.05	5.49	2.96
Other Expenses	30.61	142.98	79.74	293.85
Total expenses	15,130.82	26,875.96	22,002.18	47,063.81
Exceptional and prior period items	-	-	-	-
Net Profit / (Loss) before Tax	77.86	96.10	46.70	37.07
Less: Provision for Tax				
(a) Current Tax	24.28	32.74	14.76	16.16
(b) Deferred Tax	0.38	0.59	0.54	1.43
Total	24.66	33.32	15.30	17.59
Net Profit / (Loss) for the period after tax but before extra ordinary items	53.20	62.78	31.40	19.48
Extraordinary Items	-	-	-	-
Net Profit / (Loss) for the period after tax and after extra ordinary items available for appropriation	53.20	62.78	31.40	19.48



Annexure III
CASH FLOW STATEMENT, AS RESTATED

(₹ in lakhs)

Particulars	As at September 30, 2018	As at March 31,		
		2018	2017	2016
Cash Flow From Operating Activities				
Net Profit Before Tax	77.86	96.10	46.70	37.07
Adjustments for :				
Depreciation/Amortisation	3.14	6.05	5.49	2.96
Interest Received	(0.33)	(0.63)	(0.10)	-
Interest Paid	43.25	61.65	128.47	42.20
Operating Profit Before Working Capital Adjustment	123.92	163.17	180.57	82.22
Adjustment for Changes in Working Capital				
Trade and other payable	(234.85)	(1,275.57)	987.27	2,138.39
Other Current Liabilities	783.33	1.67	(659.09)	734.74
Short-term provisions	(8.42)	26.89	(10.11)	7.45
Inventories	92.21	(223.80)	(163.37)	-
Trade and other Recievables	(443.81)	1,235.48	(296.10)	(4,985.71)
Short Term Loans & Advances	(0.50)	0.61	0.84	(2.49)
Other Current Assets	(354.17)	73.26	(111.50)	1.03
Long term loans & advances	-	-	(12.50)	(0.50)
Cash Flow Generated from Operations	(42.27)	1.70	(83.99)	(2,024.87)
Income Tax Paid	24.28	32.74	14.76	16.16
Net Cash flow from Operating activities (A)	(66.56)	(31.04)	(98.75)	(2,041.03)
Cash Flow From Investing Activities				
(Purchase)/Sale of Fixed Assets	(0.73)	(13.81)	(7.91)	(42.48)
(Purchase) / Sale of Investments	-	(10.45)	-	-
Investment in Fixed Deposit	(0.33)	(24.80)	(12.78)	-
Interest Received	0.33	0.63	0.10	-
Net Cash Flow from Investing Activities(B)	(0.73)	(48.43)	(20.59)	(42.48)
Cash Flow From Financing Activities				
Proceeds from/ (Repayment of) Borrowing	74.66	(116.14)	249.83	111.41
Short term borrowings from banks	(5.03)	293.43	(1.38)	1.38
Proceeds from Share Capital (including Share Premium)	-	-	-	1,999.00
Interest Paid	(43.25)	(61.65)	(128.47)	(42.20)
Net Cash Flow From Financing Activities (C)	26.38	115.64	119.98	2,069.60
Net Increase/ (Decrease) in Cash and Cash Equivalents (A + B + C)	(40.91)	36.18	0.64	(13.91)
Cash & Cash equivalent at the beginning of the year	51.38	15.20	14.56	28.48
Cash & Cash Equivalent at the end of the year	10.47	51.38	15.20	14.56

Cash and cash equivalents comprise of:

(₹ in lakhs)

Particulars	As at September 30, 2018	As at March 31,		
		2018	2017	2016
Cash-in-Hand	9.33	1.47	3.55	0.04
Balance with Banks	1.14	49.91	11.64	14.52
Total	10.47	51.38	15.20	14.56

Note: The cash flow statement has been prepared on the basis of restated statement of profit & loss and balance sheet

Annexure IV SIGNIFICANT ACCOUNTING POLICIES

1. **Basis of Presentation of Financial Statements:** The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards applicable under Section 133 of the Companies Act, 2013, read with Paragraph 7 of the Companies (Accounts) Rules, 2014 (as amended) and the relevant provisions of the Companies Act, 2013 (“the 2013 Act”) as applicable. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.
2. **Use of Estimates:** The preparation of financial statements in conformity with Indian GAAP requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Although, these estimates are based upon 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 amount of assets & liabilities in future period.
3. **Inventories:** As per the policy of the company, inventories are valued at cost or market value whichever is less. The cost is determined on FIFO basis, and includes all costs incurred in bringing the inventories to their present location and condition. Net realizable value is the estimated selling price in ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.
4. **Cash Flow Statement:** The company reports cash flow from operating activities using Indirect Method, where by net profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows. Cash & cash equivalents for the purpose of cash flow statement comprise cash at bank and cheques in hand and deposits with original maturity of less than 3 months.
5. **Depreciation:** Depreciation has been charged on Fixed Assets on Straight Line Method over useful lives of respective assets in the manner as prescribed in Schedule II of the Companies Act, 2013. Depreciation is charged on pro-rata basis for assets acquired or disposed of during the year. Assets purchased specifically for projects are depreciated over the life of the projects.
6. **Revenue Recognition:** Revenue from sale of products are recognised on transfer of all the significant risk & rewards of ownership to the customers, which is generally on dispatch of goods. Sales are stated exclusively of Sales Tax, returns and trade discounts for the year. Interest received from customers for delayed payments are treated as operating income as per the company’s policy.
7. **Other income:** Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.
8. **Property, Plant & Equipment:** The initial cost of an asset comprises its purchase price and directly attributable cost of bringing the asset to its working condition for its intended use. All costs, including borrowing costs incurred till commencement of commercial production or use are capitalized to the cost of qualifying assets. Gains & losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the assets and are recognised in the Statement of Profit & Loss when the asset is derecognized. The cost of Fixed Asset is reduced by the amount of Subsidy received during the year.
9. **Foreign Exchange Fluctuation:** Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction. Monetary items denominated in foreign currencies at the year-end are restated at year end rates. Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Profit and Loss account.

10. **Investment Accounting:** Investments are classified as Non-Current and Current Investments. Non-Current Investments are stated at its cost. Investments, which are readily realizable and intended to be held for not more than 1 year from the date on which investments are made, are classified as Current Investments. All other investments are classified as Non-current investments. Non-current investments are carried at cost. However, provision is made for any diminution in the value of the Non-Current Investments, if such decline is other than temporary.

11. **Employee benefits:**

Defined contribution plans: The Company does not have maximum number of employees required for contribution to provident fund and superannuation fund which are considered as defined contribution plans. Accordingly, treatment thereof in Profit & Loss A/c. is not applicable.

Defined benefit plans: The Company does not have maximum number of employees required under the gratuity law. Accordingly, provision for gratuity which are classified as defined benefit plans are not applicable to the company.

Short-term employee benefits: Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability as & when it is paid.

Long-term employee benefits: Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability as & when it is paid.

12. **Borrowing Cost:** Borrowing cost consists of interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the asset till the month in which the asset is ready for intended use. All other borrowing costs are expensed in the period in which they are incurred.

13. **Segment Reporting:** The company operates in single segment of trading in Iron & Steel and there is no other business segment in which the company operates. Accordingly, the provisions relating to Segment Reporting as defined by AS 17 issued by the Institute of Chartered Accountants of India are not applicable.

14. **Leases:** The company has not entered into any leasing transaction of finance lease hence provisions for accounting of finance lease transaction is not applicable.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the Lease Term.

15. **Earnings per Share:** Basic earnings per share is computed by dividing the profit/ (loss) after tax and preference dividend (including the post-tax effect of extra ordinary items, if any) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earning per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of equity shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

16. **Accounting for Taxes:** Provision for current tax is made and retained in the accounts on the basis of estimated tax liability as per the applicable provisions of the Income Tax Act, 1961. As required by "Accounting Standard 22 - Accounting for Taxes on Income", the company has provided for Deferred Taxes. The tax effect of timing differences originating and reversing during the year has been reflected in the current year's Profit & Loss A/c.

17. **Impairment of Assets:** Consideration is given at each Balance Sheet date to determine whether there is any indication of impairment of the carrying amounts of the Company's assets. An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss

Account in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

18. **Provisions, Contingent Liabilities & Contingent Assets:** A provision is recognised when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources embodying economic benefits. Where no reliable estimate can be made, a disclosure is made as Contingent Liability. A disclosure for contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not; require an out flow of resources. Contingent Assets are neither recognized nor disclosed in the financial statements. When there is a possible or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Annexure V

MADE IN RESTATED FINANCIAL STATEMENTS / REGROUPING NOTES

Adjustments having impact on profit

No changes have been done, which impact the Profit and Loss of the company

Appropriate adjustments have been made in the restated summary statements, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited financial statements of the Company, prepared in accordance with Schedule III and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018.

Notes:

1. Managerial Remuneration

(₹ in lakhs)

Particulars	As at September 30, 2018	As at March 31,		
		2018	2017	2016
Executive Directors Remuneration				
Salary and allowances	10.15	20.12	14.30	23.10
Non-executive Directors Remuneration				
Sitting Fees	-	-	-	-
Total	10.15	20.12	14.30	23.10

2. Remuneration to Auditors

(₹ in lakhs)

Particulars	As at September 30, 2018	As at March 31,		
		2018	2017	2016
Statutory Audit Fees	1.20	2.25	2.30	1.73
For Taxation Matters	-	-	-	1.02
Other Certification	-	-	-	-
Total	1.20	2.25	2.30	2.75

3. Deferred Tax

Deferred tax liability / assets on account of timing difference between taxable income and accounting income for the year is accounted for by applying the tax rate and laws enacted on substantially enacted as of the balance sheet date. Deferred tax assets are recognized only to the extent of virtual certainty of its realization or adjustments against deferred tax liability.

The company has accounted for Income Tax in compliance with the accounting standard relating 'accounting for taxes on Income' (As-22) issued by the Chartered Accountants of India.

(₹ in lakhs)

Particulars	As at September 30, 2018	As at March 31,		
		2018	2017	2016
Deferred tax liabilities/(assets) arising on account of timing difference in:				
Opening Balance	1.05	(0.47)	0.07	1.50
Depreciation	0.38	(0.59)	(0.54)	(1.43)
Closing Balance	1.43	(1.05)	(0.47)	0.07

- The company has not received any intimation from supplier regarding their status under micro, small and medium enterprises development Act,2006 and hence disclosure, if any, in relation to amount unpaid as at the year end together with interest payable as required under the said Act have not furnished.
- The Management has confirmed that adequate provisions have been made for all the known and determined liabilities and the same is not in excess of the amounts reasonably required.
- Previous year figures have been regrouped and reclassified whenever necessary to confirm to the current year classification.



ADJUSTMENTS MADE IN RESTATED FINANCIAL STATEMENTS

Adjustments having impact on profit

(₹ in lakhs)

Particulars	For the year ended March 31,			
	September 30, 2018	2018	2017	2016
PAT As per Audited Financial Statement	53.20	62.83	31.03	19.66
Less : Income Tax of Current financial year accounted in the following years	-	(0.05)	0.37	(0.18)
PAT as per restated Financial Statement	53.20	62.78	31.40	19.48

Adjustments having impact on reserves and surplus

(₹ in lakhs)

Particulars	For the year ended March 31,			
	September 30, 2018	2018	2017	2016
Reserves and Surplus As per Audited Financial Statement	179.54	126.35	63.52	32.48
Less : Income Tax of Current financial year accounted in the following years	-	-	0.05	(0.31)
Reserves and Surplus As per restated Financial Statement	179.54	126.35	63.57	32.17

Appropriate adjustments have been made in the restated summary statements, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited financial statements of the Company, prepared in accordance with Schedule III and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018.

Annexure VI

STATEMENT OF SHARE CAPITAL, AS RESTATED

(₹ in lakhs except no of shares)

Particulars	As at September 30, 2018	As at March 31,		
		2018	2017	2016
Equity Share Capital				
Authorised Share capital				
2,00,00,000 Equity Shares of Rs.10/- each	2,000.00	2,000.00	2,000.00	2,000.00
Total	2,000.00	2,000.00	2,000.00	2,000.00
Issued, Subscribed and Fully Paid Up Share Capital				
2,00,00,000 Equity Shares of Rs.10/- each fully paid up	2,000.00	2,000.00	2,000.00	2,000.00
Total	2,000.00	2,000.00	2,000.00	2,000.00

Reconciliation of number of shares outstanding:

Particulars	As at September 30, 2018	As at March 31,		
		2018	2017	2016
Equity Shares				
Equity shares at the beginning of the year / period of Rs. 10/- each	2,00,00,000	2,00,00,000	2,00,00,000	2,00,00,000
Issued during the year	-	-	-	1,99,90,000
Equity Shares at the end of the year / Period	2,00,00,000	2,00,00,000	2,00,00,000	2,00,00,000



Annexure VII
STATEMENT OF RESERVES AND SURPLUS, AS RESTATED

(₹ in lakhs)

Particulars	As at September 30, 2018	As at March 31,		
		2018	2017	2016
Surplus				
Balance as at the beginning of the year	126.35	63.57	32.17	12.69
Add: Profit / (Loss) for the year transferred to reserves	53.20	62.78	31.40	19.48
Less: Deductions/ Adjustments				
Balance as at the end of the year	179.54	126.35	63.57	32.17

Annexure VIII
STATEMENT OF LONG TERM BORROWINGS, AS RESTATED

(₹ in lakhs)

Particulars	As at September 30, 2018	As at March 31,		
		2018	2017	2016
From Banks				
Unsecured	61.31	-	-	-
Car Loan - Secured	-	-	5.43	13.37
From NBFC				
Secured	-	-	161.07	-
Unsecured	79.28	37.25	39.05	-
Unsecured Loans				
Loan from Related Parties	179.20	207.88	155.71	98.07
Total	319.78	245.12	361.27	111.44

** For details of loans please refer 'Financial Indebtedness' Chapter on page no. 144 of this Draft Prospectus

Annexure - IX
STATEMENT OF DEFERRED TAX, AS RESTATED

(₹ in lakhs)

Particulars	As at September 30, 2018	As at March 31,		
		2018	2017	2016
Due to timing difference of depreciation and pre incorporation expenses	1.43	1.05	0.47	-
Total	1.43	1.05	0.47	-

Annexure X
STATEMENT OF SHORT TERM BORROWINGS, AS RESTATED

(₹ in lakhs)

Particulars	As at September 30, 2018	As at March 31,		
		2018	2017	2016
Secured				
From Bank Overdraft	288.40	293.43	-	1.38
Total	288.40	293.43	-	1.38

Note: These loans are payable on demand.

Annexure XI
STATEMENT OF TRADE PAYABLES, AS RESTATED

(₹ in lakhs)

Particulars	As at September 30, 2018	As at March 31,		
		2018	2017	2016
Micro, Small Medium Enterprises	-	-	-	-



Particulars	As at September 30, 2018	As at March 31,		
		2018	2017	2016
Others				
Promoter/Promoter group	-	-	15.24	7.26
Others	2,819.86	3,054.71	4,315.04	3,335.75
Total	2,819.86	3,054.71	4,330.28	3,343.01

Annexure XII
STATEMENT OF OTHER CURRENT LIABILITIES, AS RESTATED

(₹ in lakhs)

Particulars	As at September 30, 2018	As at March 31,		
		2018	2017	2016
Statutory remittances (Withholding Taxes, Profession tax, Sales tax, Service Tax, GST etc.)	23.43	11.14	13.67	13.13
Current Maturities of Long term debt	159.26	56.25	37.22	7.94
Advances From Customers	666.83	-	15.24	703.54
Deposits from employees	0.98	1.23	0.81	0.52
Security deposit accepted	15.00	15.00	15.00	15.82
Other current liabilities	1.45	-	-	0.09
Total	866.94	83.61	81.94	741.03

Annexure XIII
STATEMENT OF SHORT TERM PROVISIONS, AS RESTATED

(₹ in lakhs)

Particulars	As at September 30, 2018	As at March 31,		
		2018	2017	2016
Provisions for Income Tax	24.19	32.61	5.72	15.84
Total	24.19	32.61	5.72	15.84

Annexure XIV
STATEMENT OF FIXED ASSETS, AS RESTATED

(₹ in lakhs)

Particulars	As at September 30, 2018	As at March 31,		
		2018	2017	2016
Vehicle				
Opening Balance	42.42	42.42	42.42	-
Addition during the year	-	-	-	42.42
Depreciation during the year	2.52	5.03	5.04	2.95
Opening Accumulated Depreciation	13.02	7.99	2.95	-
Closing Balance	26.87	29.39	34.43	39.46
Office Equipments				
Opening Balance	1.45	1.45	0.06	-
Addition during the year	0.02	-	1.39	0.06
Depreciation during the year	0.14	0.28	0.15	0.01
Opening Accumulated Depreciation	0.43	0.16	0.01	-
Closing Balance	0.90	1.02	1.30	0.05
Furniture				
Opening Balance	6.52	6.52	-	-
Addition during the year	-	-	6.52	-
Depreciation during the year	0.31	0.62	0.31	-
Opening Accumulated Depreciation	0.93	0.31	-	-
Closing Balance	5.29	5.60	6.21	-



Particulars	As at September 30, 2018	As at March 31,		
		2018	2017	2016
Office Building				
Opening Balance	13.81	-	-	-
Addition during the year	-	13.81	-	-
Depreciation during the year	0.11	0.12	-	-
Opening Accumulated Depreciation	0.12	-	-	-
Closing Balance	13.58	13.69	-	-
Computers and Printers				
Opening Balance	-	-	-	-
Addition during the year	0.71	-	-	-
Depreciation during the year	0.07	-	-	-
Opening Accumulated Depreciation	-	-	-	-
Closing Balance	0.64	-	-	-
Total Tangible Assets	64.93	64.20	50.39	42.48
Total Intangible Assets	-	-	-	-
Capital Work in Progress	-	-	-	-
Total Depreciation Charged during the year	3.14	6.05	5.49	2.96
Total accumulated Depreciation on Tangible Assets	14.51	8.46	2.96	-
Total accumulated Depreciation on Intangible Assets	-	-	-	-
WDV Tangible Asset	47.28	49.69	41.94	39.51
WDV Intangible Assets	-	-	-	-
Total	47.28	49.69	41.94	39.51

Annexure XV
STATEMENT OF NON-CURRENT INVESTMENTS AS RESTATED

(₹ in lakhs)

Particulars	As at September 30, 2018	As at March 31,		
		2018	2017	2016
Keyman Insurance Policy	10.45	10.45	-	-
Total	10.45	10.45	-	-

Annexure XVI
STATEMENT OF DEFERRED TAX ASSETS, AS RESTATED

(₹ in lakhs)

Particulars	As at September 30, 2018	As at March 31,		
		2018	2017	2016
Due to timing difference of depreciation and pre incorporation expenses	-	-	-	0.08
Closing Balance	-	-	-	0.08

Annexure XVII
STATEMENT OF LONG TERM LOANS & ADVANCES AS RESTATED

(₹ in lakhs)

Particulars	As at September 30, 2018	As at March 31,		
		2018	2017	2016
(a) Security deposits				
Unsecured, considered good	13.00	13.00	13.00	0.50
Total	13.00	13.00	13.00	0.50



Annexure XVIII
STATEMENT OF INVENTORIES AS RESTATED

(₹ in lakhs)

Particulars	As at September 30, 2018	As at March 31,		
		2018	2017	2016
Stock in Trade	294.96	387.17	163.37	-
Total	294.96	387.17	163.37	-

Annexure XIX
STATEMENT OF TRADE RECEIVABLES AS RESTATED

(₹ in lakhs)

Particulars	As at September 30, 2018	As at March 31,		
		2018	2017	2016
Unsecured, Considered good				
O/s more than six months				
Promoter/Promoter group	-	-	-	-
Others	3,340.11	104.72	665.69	1,729.02
O/s less than six months				
Promoter/Promoter group	-	-	0.29	2,906.07
Others	2,352.03	5,143.62	5,817.84	1,552.63
Total	5,692.14	5,248.34	6,483.82	6,187.72

Annexure XX
STATEMENT OF CASH AND CASH EQUIVALENTS, AS RESTATED

(₹ in lakhs)

Particulars	As at September 30, 2018	As at March 31,		
		2018	2017	2016
Cash-in-Hand	9.33	1.47	3.55	0.04
Bank Balance				
Balance with Banks	1.14	49.91	11.64	14.52
Fixed deposits with bank held as margin money	37.91	37.58	12.78	-
Total	48.38	88.95	27.97	14.56

Annexure XXI
STATEMENT OF SHORT TERM LOANS AND ADVANCES, AS RESTATED

(₹ in lakhs)

Particulars	As at September 30, 2018	As at March 31,		
		2018	2017	2016
Loans and advances to employees	1.55	1.05	1.65	2.49
Total	1.55	1.05	1.65	2.49

Annexure - XXII
STATEMENT OF OTHER CURRENT ASSETS

(₹ in lakhs)

Particulars	As at September 30, 2018	As at March 31,		
		2018	2017	2016
MVAT Receivable	-	-	-	-
Advance to creditors	392.26	22.67	111.50	-
LC Margin receivable	0.15	0.15	-	-
GST Receivable	-	15.43	-	-
Total	392.41	38.24	111.50	-



Annexure XXIII
STATEMENT OF REVENUE FROM OPERATIONS, AS RESTATED

(₹ in lakhs)

Particulars	As at September 30, 2018	As at March 31,		
		2018	2017	2016
Sale of Products	15,064.08	26,949.04	21,955.84	47,088.25
Other Operating Income	143.93	-	92.94	12.63
TOTAL	15,208.01	26,949.04	22,048.78	47,100.88

Annexure XXIV
STATEMENT OF OTHER INCOME, AS RESTATED

(₹ in lakhs)

Particulars	As at September 30, 2018	As at March 31,		
		2018	2017	2016
Interest Income	0.33	0.63	0.10	-
Office rent	0.33	0.50	-	-
Miscellaneous Income	0.00	21.90	-	-
TOTAL	0.67	23.02	0.10	-

Annexure XXV
STATEMENT OF DIVIDEND DECLARED, AS RESTATED

(₹ in lakhs)

Particulars	As at September 30, 2018	As at March 31,		
		2018	2017	2016
On Equity Shares				
Fully Paid up Share Capital (₹ in lakhs)	2,000.00	2,000.00	2,000.00	2,000.00
Face value (₹)	10.00	10.00	10.00	10.00
Paid up value per share (₹)	10.00	10.00	10.00	10.00
Rate of Dividend	-	-	-	-
Total Dividend (₹)	-	-	-	-
Corporate Dividend tax on above (₹)	-	-	-	-

Annexure XXVI
STATEMENT OF RELATED PARTY TRANSACTIONS, AS RESTATED

As per Accounting Standard 18 on related party disclosure issue by the Institute of Chartered Accountants of India, the Company's related parties are disclosed below:

(i) Key Managerial Personnel

September 30, 2018	For the year ended March 31,		
	2018	2017	2016
Tina Gandhi	Tina Gandhi	Tina Gandhi	Kunal Gandhi
Sapan Paikray	Sapan Paikray	Sapan Paikray	Kishore Gandhi
-	-	-	Tina Gandhi
-	-	-	Sapan Paikray

(ii) Relatives of Key Managerial Personnel

September 30, 2018	For the year ended March 31,		
	2018	2017	2016
Kunal Gandhi	Kunal Gandhi	Kunal Gandhi	-
-	-	Kishore Gandhi	-
-	-	Rupa Gandhi	-



(iii) Associates / Enterprises over which directors and / or their relatives has significant influence

September 30, 2018	For the year ended March 31,		
	2018	2017	2016
-	Pentech Corporation	Pentech Corporation	Pentech Corporation
Magnum Steel	Magnum Steel	Magnum Steel	Magnum Steel

(iv) Particulars of Transactions with Related Parties

Key Management Personnel / Board of Directors

(₹ in lakhs)

Particulars	As at September 30, 2018	As at March 31,		
		2018	2017	2016
1) Finance				
Opening Balance	201.16	155.71	0.24	0.03
Loan taken during the year	6.87	133.32	240.83	109.32
Repaid during the year	28.83	87.88	85.35	11.28
Outstanding at the end of the year	179.20	201.16	155.71	98.07
2) Expenses				
Rent Paid	3.00	6.00	3.00	-
Remuneration	-	15.24	0.50	1.79
Salary	10.15	20.12	14.30	23.10
3) Outstanding				
Remuneration payable	0.18	0.19	-	5.87
Security deposit payable	12.50	12.50	12.50	-

Relatives of Key Managerial Personnel

(₹ in lakhs)

Particulars	As at September 30, 2018	As at March 31,		
		2018	2017	2016
1) Finance				
Loans Taken				
Opening Balance	6.72	-	98.07	-
Loan taken during the year	54.04	12.68	9.44	-
Repaid during the year	60.76	5.97	107.51	-
Outstanding at the end of the year	-	0.00	-	-
2) Expenses				
Salary and Bonus	9.00	18.00	13.00	-
Commission	-	-	0.85	-
3) Outstanding				
Receivables	-	-	-	-
Payables	-	-	0.03	-

Associates / Enterprises over which directors and / or their relatives has significant influence

(₹ in lakhs)

Particulars	As at September 30, 2018	As at March 31,		
		2018	2017	2016
1) Finance				
Loans Taken				
Opening Balance	-	-	-	-
Loan taken during the year	30.00	437.83	-	-



Particulars	As at September 30, 2018	As at March 31,		
		2018	2017	2016
Repaid during the year	30.00	437.83	-	-
Outstanding at the end of the year	-	-	-	-
2) Expenses				
Pre incorporation expenses	-	-	-	-
Purchases	-	205.83	4,536.99	3,791.41
Sales	-	82.27	-	7,189.09
3) Outstanding				
Receivables	-	-	0.29	2,906.07
Payables	-	-	15.24	7.26

**Annexure XXVII
STATEMENT OF CAPITALIZATION**

(₹ in lakhs)

Particulars	Pre-Issue (as at March 31, 2018)	Post Issue
Debt		
Long Term Debt (including current maturity on long term debt)	479.04	479.04
Short term debt	288.40	288.40
Total debts (A)	767.45	767.45
Shareholder's funds		
Share capital	2,000.00	[●]
Reserve and surplus	179.54	[●]
Total (B)	2,179.54	[●]
Long term debt (including current maturity of long term debt) / Shareholder's funds	0.22	[●]
Total debt / shareholder's funds	0.35	[●]

*The above has been computed on the basis of restated financials

**Annexure XXVIII
STATEMENT OF ACCOUNTING RATIOS, AS RESTATED**

(₹ in lakhs except share data)

Particulars	As at September 30, 2018	As at March 31,		
		2018	2017	2016
Restated PAT as per P & L Account	53.20	62.78	31.40	19.48
Actual Number of Equity Shares outstanding at the end of the year/ period	2,00,00,000	2,00,00,000	2,00,00,000	2,00,00,000
Equivalent Weighted Avg. number of Equity Shares at the end of the year/ period	2,00,00,000	2,00,00,000	2,00,00,000	73,76,780
Share Capital	2,000.00	2,000.00	2,000.00	2,000.00
Reserves & Surplus	179.54	126.35	63.57	32.17
Net Worth	2,179.54	2,126.35	2,063.57	2,032.17
Earnings Per Share⁽¹⁾:				
Basic / Diluted	0.27	0.31	0.16	0.26
Return on Net Worth (%)	2.44%	2.95%	1.52%	0.96%
Net Asset Value Per Share (Rs)	10.90	10.63	10.32	27.55
Nominal Value per Equity share (Rs.)	10.00	10.00	10.00	10.00

⁽¹⁾The calculation for EPS in the Restated Financials is as per the guidelines of AS-20 issued by the ICAI.

Notes on Accounting Ratios:

1. Basic Earnings Per Share (₹) = (Restated PAT as per P & L Account/ Weighted Average Number of Equity Shares at the end of the Year/ period end)
2. Diluted Earnings Per Share (₹) = (Restated PAT as per P & L Account/ Weighted Average Number of Equity Shares at the end of the Year/ period end).
3. Return on Net Worth (%) = Restated PAT as per P & L Account/ Net Worth - Restated * 100.
4. Net Asset Value Per Share (₹) = Net Worth- Restated/ Number of Equity Shares at the end of the Year/ period end.

Other Notes:

1. There is no revaluation reserve in last three years in our company.
2. As there is no dilutive capital in the company, Basic and Diluted EPS are same.

Annexure XXIX

STATEMENT OF CONTINGENT LIABILITIES, AS RESTATED

(₹ in lakhs)

Particulars	As at September 30, 2018	As at March 31,		
		2018	2017	2016
Contingent Liabilities	-	-	-	-
Total	-	-	-	-

Annexure XXX

STATEMENT OF TAX SHELTER

(₹ in lakhs)

Particulars	As at September 30, 2018	As at March 31,		
		2018	2017	2016
Tax Rates				
Normal Corporate tax rates (%)	31.20%	30.90%	30.90%	30.90%
Minimum alternate tax rates (%)	19.24%	19.06%	19.06%	19.06%
Income from house property				
Rent income	0.33	0.50	-	-
Less : Standard deduction	0.10	0.15	-	-
Total Income from house property (A)	0.23	0.35	-	-
Income from Business or Profession				
Restated Profit before tax as per books (B)	77.86	96.10	46.70	37.07
Income considered separately				
Interest income	0.33	0.63	0.10	-
Rent income	0.33	0.50	-	-
Total income considered separately (C)	0.66	1.12	0.10	-
Timing Differences				
Add : Book Depreciation	3.14	6.05	5.49	2.96
Less : Income Tax Depreciation Allowance	3.07	6.77	6.03	6.37
Add : Pre-incorporation expenses	-	-	-	-
Less : Pre-incorporation expenses	-	-	-	1.22
Total Timing Differences (D)	0.07	(0.72)	(0.53)	(4.63)
Permanent Differences				
Add : ROC filing fees and registration charges	-	-	-	14.25
Add : Excess tax provision of earlier years	-	-	-	-
Add : Donation	-	0.20	0.10	-
Add : Late filing fees	-	-	0.18	0.10



Particulars	As at September 30, 2018	As at March 31,		
		2018	2017	2016
Total Permanent Differences (E)	-	0.20	0.28	14.35
“ Income from Business or Profession (F) = (B-C+D+E)”	77.27	94.46	46.35	46.79
Income from other sources				
Interest income	0.33	0.63	0.10	-
Total Income from other sources (G)	0.33	0.63	0.10	-
Deductions under Chapter VIA				
Deduction under 80G	-	-	0.05	-
Total Deductions under Chapter VIA (H)	-	-	0.05	-
Total Taxable income (A+F+G-H)	77.83	95.43	46.40	46.79
Income Tax on above	24.28	29.49	14.34	14.46
Book Profit for MAT	77.86	96.10	46.70	37.07
MAT on Book Profit	14.98	18.31	8.90	7.06
Tax paid as per normal or MAT	NORMAL	NORMAL	NORMAL	NORMAL

Note:

1. The aforesaid Statement of tax Shelters has been prepared as per the 'Restated Profit and Loss Account.

CHANGES IN ACCOUNTING POLICIES IN THE LAST THREE YEARS

There has been no change in the Accounting Policies in the last three (3) years.

CHANGES IN ACCOUNTING PERIOD

There has been no change in the accounting period of the Company.

OTHER FINANCIAL INFORMATION

STATEMENT OF ACCOUNTING RATIOS, AS RESTATED

(₹ in lakhs except share data)

Particulars	As at September 30, 2018	As at March 31,		
		2018	2017	2016
Restated PAT as per P & L Account	53.20	62.78	31.40	19.48
Actual Number of Equity Shares outstanding at the end of the year/ period	2,00,00,000	2,00,00,000	2,00,00,000	2,00,00,000
Equivalent Weighted Avg. number of Equity Shares at the end of the year/ period	2,00,00,000	2,00,00,000	2,00,00,000	73,76,780
Share Capital	2,000.00	2,000.00	2,000.00	2,000.00
Reserves & Surplus	179.54	126.35	63.57	32.17
Net Worth	2,179.54	2,126.35	2,063.57	2,032.17
Earnings Per Share⁽¹⁾:				
Basic / Diluted	0.27	0.31	0.16	0.26
Return on Net Worth (%)	2.44%	2.95%	1.52%	0.96%
Net Asset Value Per Share (Rs)	10.90	10.63	10.32	27.55
Nominal Value per Equity share (Rs.)	10.00	10.00	10.00	10.00

⁽¹⁾The calculation for EPS in the Restated Financials is as per the guidelines of AS-20 issued by the ICAI.

Notes on Accounting Ratios:

1. Basic Earnings Per Share (₹) = (Restated PAT as per P & L Account/ Weighted Average Number of Equity Shares at the end of the Year/ period end)
2. Diluted Earnings Per Share (₹) = (Restated PAT as per P & L Account/ Weighted Average Number of Equity Shares at the end of the Year/ period end).
3. Return on Net Worth (%) = Restated PAT as per P & L Account/ Net Worth - Restated * 100.
4. Net Asset Value Per Share (₹) = Net Worth- Restated/ Number of Equity Shares at the end of the Year/ period end.

Other Notes:

1. 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.
2. The Calculation of Earnings Per Share (EPS) as disclosed in the Profit and Loss Account has been made in accordance with Accounting Standard (AS - 20) on Earnings Per Share issued by the Institute of Chartered Accountants of India.
3. There is no revaluation reserve in last three years in our company.
4. As there is no dilutive capital in the company, Basic and Diluted EPS are same.
5. The above Ratios have been computed on the basis of the Restated Financial Information for the respective period. The above statements should be read with the Notes to Restated Financial Statements.



MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULT OPERATION

You should read the following discussion and analysis of financial condition and results of operations together with our financial statements included in this Prospectus. The following discussion relates to our Company and is based on our restated financial statements. Our financial statements have been prepared in accordance with Indian GAAP, the accounting standards and other applicable provisions of the Companies Act.

Note: Statement in the Management Discussion and Analysis Report describing our objectives, outlook, estimates, expectations or prediction may be "Forward looking statement" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to our operations include, among others, economic conditions affecting demand/supply and price conditions in domestic and overseas market in which we operate, changes in Government Regulations, Tax Laws and other Statutes and incidental factors.

OVERVIEW

Our Company was incorporated as "Pentech Metals Private Limited" on October 09, 2014 under the Companies Act, 2013 with the Registrar of Companies, Mumbai, Maharashtra bearing Registration No. 258618 and the certificate of incorporation was issued by the Registrar of Companies at Mumbai, Maharashtra. Our Company was converted into a public limited company pursuant to a special resolution passed by our Shareholders on January 28, 2019 and the name of our Company was changed to "Pentech Metals Limited". Consequently, a fresh certificate of incorporation consequent upon change of name upon conversion into public company was issued by the RoC on February 06, 2019.

Our Company operates as a trader, stockiest and distributor of iron & steel products. Further, we have entered into Bailee agreement with a service provider who manufactures TMT bars for our Company as per requirements of our Customers.

Following is the classification of product offerings of our Company:

PENTECH METALS LIMITED	
Flat	Long
Hot - Rolled Sheets; Cold - Rolled Sheets; Coated Sheets; Plates	Billets; Bars; Wire Rods; Wire Products

At present, we cater majorly to domestic markets. We have relations with dealers, traders and distributors who are well established in steel industry which help us gain long term benefits. We aim to expand our customer base by reaching out to new states and increasing the sales in existing states.

Our Company primarily operates from its Registered Office located at Office No.507, 5th Floor, The Summit Business Bay, Andheri A.K Road, Gondavali, Opp. Cinemax, Andheri; Mumbai – 400093. Further, we also have a godown / storage unit located at Gut no. 154 to 161 and 163 to 165, Wada Shahpur Road, Village Abitgarh, Taluka Wada, District Palghar – 421303. For further details of Our Properties refer to para titled Properties on page no. 83 of this Draft Prospectus.



COMPETITION

Competition is faced by our business from other existing traders and manufacturers of metal products, dealt by us. We engage with our competitors on a regional or product line basis. Many of our competitors have substantially large capital base and resources than we do and offer broader range products. We believe that the principal factors affecting competition in our business include client relationships, reputation, the abilities of employees, market focus and the relative quality and price of the services and products.

Significant Developments after September 30, 2018 that may affect our Future Results of Operations

The Directors confirm that there have been no events or circumstances since the date of the last financial statements as disclosed in the Draft Prospectus which materially or adversely affect or is likely to affect the profitability of our Company, or the value of our assets, or our ability to pay liabilities within next twelve months.

Factors affecting our Result of Operation

Except as otherwise stated in this Draft Prospectus and the Risk Factors given in the Draft Prospectus, the following important factors could cause actual results to differ materially from the expectations include, among others.

Increasing competition in the industry

Our Company faces competition from local and also from organized and unorganized players in the market. Our Company operates in competitive environment which may force us to reduce our pricing of products.

General economic and business conditions

As a Company with its complete operations in India, we are affected by general economic conditions in the country and in particular economic factors that affect Hospitality industry in India. India's gross domestic product, or GDP, has been and will continue to be of importance in determining our operating results and future growth.

Our ability to successfully implement its strategy and its growth and expansion plans

Our growth plans are considerable and would put significant demands on our management team and other resources. Any delay in implementation of our strategy and growth and expansion plans could impact our Company's roll out schedules and cause cost and time over runs.



RESULTS OF OUR OPERATIONS

(₹ in lakhs)

Particulars	For the period ended September 30,2018	For the year ended March 31,						
		% of Total Income	2018	% of Total Income	2017	% of Total Income	2016	% of Total Income
INCOME								
Revenue from Operations	15,208.01	100.00%	26,949.04	99.91%	22,048.78	100.00%	47,100.88	100.00%
Other Income	0.67	0.00%	23.02	0.09%	0.10	0.00%	0.00	0.00%
Total Income	15,208.68	100.00%	26,972.06	100.00%	22,048.88	100.00%	47,100.88	100.00%
EXPENDITURE								
Cost of Material Consumed	14929.38	98.16%	26813.48	99.41%	21904.89	99.35%	46,679.18	99.10%
Changes in Inventories	92.21	0.61%	-223.80	-0.83%	-163.37	-0.74%	0.00	0.00%
Employee benefit expenses	26.49	0.17%	55.57	0.21%	42.93	0.19%	45.25	0.10%
Finance costs	48.98	0.32%	81.68	0.30%	132.49	0.60%	42.56	0.09%
Depreciation	3.14	0.02%	6.05	0.02%	5.49	0.02%	2.96262	0.01%
Other Expenses	30.61	0.20%	142.98	0.53%	79.74	0.36%	293.85	0.62%
Total Expenses	15130.82	99.49%	26,875.96	99.64%	22,002.18	99.79%	47,063.81	99.92%
Profit before Prior period item, exceptional item, extraordinary items and tax	77.86	0.51%	96.10	0.36%	46.70	0.21%	37.07	0.08%
Prior period items	-	-	-	-	-	-	-	-
Profit before exceptional item, extraordinary items and tax	77.86	0.51%	96.10	0.36%	46.70	0.21%	37.07	0.08%
Exceptional items	-	-	-	-	-	-	-	-
Profit before extraordinary items and tax	77.86	0.51%	96.10	0.36%	46.70	0.21%	37.07	0.08%
Extraordinary items	-	-	-	-	-	-	-	-
Net Profit /(Loss) before tax	77.86	0.51%	96.10	0.36%	46.70	0.21%	37.07	0.08%
<i>Less: Tax expense</i>								
(i) Current tax	24.28	0.16%	32.74	0.12%	14.76	0.07%	16.16	0.03%
(ii) Deferred tax	0.38	0.0%	0.59	0.00%	0.54	0.00%	1.43	0.00%
Total Tax Expense	24.66	0.16%	33.32	0.12%	15.30	0.07%	17.59	0.04%
Net Profit/ Loss after tax	53.20	0.35%	62.78	0.23%	31.40	0.14%	19.48	0.04%

Main Components of our Profit and Loss Account

Income

Our total income comprises of revenue from operations which comprise of trade income.

Revenue from Operations

Our revenue from operation as a percentage of total income were 99.91% and 100% in all fiscal years i.e. 2018, 2017, 2016 and for the period ended September 30, 2018. Our total income comprises of revenue from operations which comprise of service income.

Expenditure

Our total expenditure primarily consists of cost of materials, changes in inventories, Employee Benefit Expenses, Finance costs, Depreciation & Other Expenses.

Cost of Materials

Expenses in relation to cost of materials comprise of purchases.

Employee Benefit Expenses

Expenses in relation to employees' remuneration, Directors Remuneration and benefits include salaries and wage, staff welfare expenses etc.

Finance costs

Finance cost primarily consists of other processing charges, bank charges and interest cost.

Depreciation Expenses

Depreciation Expenses consist of depreciation on the Tangible assets of our Company which primarily includes Computer, Furniture and Fixtures etc.

Other Expenses

Other expenses primarily include conveyance charges, demat charges, office expenses, electricity expense, rent, electrical charges etc.

Provision for Tax

The provision for current taxation is computed in accordance with relevant tax regulation. Deferred tax is recognized on timing differences between the accounting and the taxable income for the year and quantified using the tax rates and laws enacted or subsequently enacted as on balance sheet date. Deferred tax assets are recognized and carried forward to the extent that there is a virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized in future.

Fiscal 2018 compared with fiscal 2017

Income

In fiscal 2018, our total income increased by ₹ 4,923.18 lacs or 22.33%, from 22,048.88 lacs in fiscal 2017 to ₹ 26,972.06 lacs in fiscal 2018.

Cost of Materials

In fiscal 2018, our total cost increased by ₹ 4,908.59 lacs or 22.41%, from ₹ 21,904.89 lacs in fiscal 2017 to ₹ 26,813.48 lacs in fiscal 2018.

Employee Benefit Expenses

Our staff cost increased by ₹ 12.64 lacs or 29.44%, from ₹ 42.93 lacs in fiscal 2017 to ₹ 55.57 lacs in fiscal 2018. This increase was mainly due to providing of incentives in fiscal 2018 and rise in remuneration and Staff Welfare Expenses.

Finance Cost

Finance cost during the year decreased by ₹ 50.82 lacs or 38.35%, from ₹ 132.49 lacs in fiscal 2017 to ₹ 81.68 lacs in fiscal 2018 due to decrease in processing charges, interest rate etc.

Depreciation

Depreciation expenses increased by ₹ 0.56 lacs from ₹ 5.49 lacs in fiscal 2017 to ₹ 6.05 lacs in fiscal 2018. This increase was on account of purchase of fixed assets during the year 2018.

Other Expenses

Other expenses increased by ₹ 63.24 lacs or 63.24% from ₹ 79.74 lacs in fiscal 2017 to ₹ 142.98 lacs in fiscal 2018. The increase was majorly due to increase in certain expense like etc.

Profit before Tax

The considerable increase in the revenue has led to an increase in our Profit before tax by ₹ 49.40 lacs or 105.77% from ₹ 46.70 lacs in fiscal 2017 to ₹ 96.10 lacs in fiscal 2018.

Profit after Tax

After accounting for taxes at applicable rates, our Profit after Tax increased by ₹ 31.38 lacs or 99.92%, from ₹ 31.40 lacs in fiscal 2017 to ₹ 62.78 lacs in fiscal 2018.

Fiscal 2017 compared with fiscal 2016

Income

In fiscal 2017, our total income decreased by ₹ 25,052 lacs or 53.19%, from ₹ 47,100.88 lacs in fiscal 2016 to ₹ 22,048.78 lacs in fiscal 2017. The decrease in income during this fiscal was due to slow down in the Indian Steel Industry which dipped the demand for our products like cold rolled sheets and coils, hot rolled sheets and M S Angle.

Cost of Materials

In fiscal 2017, our total cost decreased by 24,774.29 lacs or 53.07%, from 46,679.19 lacs in fiscal 2016 to ₹ 21,904.89 lacs in fiscal 2017. This cost was attributable to decline in revenue during the year.

Employee Benefit Expenses

Our staff cost decreased by ₹ 2.32 lacs or 5.13%, from ₹ 45.25 lacs in fiscal 2016 to ₹ 42.93 lacs in fiscal 2017. This decrease was attributable to decrease in director remuneration.

Finance Cost

Finance cost during the year increased by ₹ 89.93 lacs or 211.32%, from ₹ 42.56 lacs in fiscal 2016 to ₹ 132.49 lacs in fiscal 2017 due to increase in processing charges, interest rate etc on secured loans.

Depreciation

Depreciation expenses increased by ₹ 2.53 lacs from ₹ 2.96 lacs in fiscal 2016 to ₹ 5.49 lacs in fiscal 2017. This increase was on account of purchase of fixed assets during the year 2017.

Other Expenses

Other expenses decreased by ₹ 214.11 lacs or 72.86% from ₹ 293.85 in fiscal 2016 to ₹ 79.74 lacs in fiscal 2017. The increase was majorly due to increase in certain expense like professional fees, rent etc.

Profit before Tax

The considerable increase in the revenue has led to an increase in our Profit before tax by ₹ 9.63 lacs or 25.99% from ₹ 37.07 lacs in fiscal 2016 to ₹ 46.70 lacs in fiscal 2017.

Profit after Tax

After accounting for taxes at applicable rates, our Profit after Tax increased by ₹ 11.92 lacs or 61.20%, from ₹ 19. ₹ 48 lacs in fiscal 2016 to ₹ 31.40 lacs in fiscal 2017.

Cash Flows

(₹ in lakhs)

Particulars	September 30, 2018	For the Year ended March 31,		
		2018	2017	2016
Net Cash from Operating Activities	(66.56)	(31.04)	(98.75)	(2,041.03)
Net Cash from Investing Activities	(0.73)	(48.43)	(20.59)	(42.48)
Net Cash used in Financing Activities	26.38	115.64	119.98	2,069.60
Net Increase / (Decrease) in Cash and Cash equivalents	(40.91)	36.18	0.64	(13.91)

Cash Flows from Operating Activities

For the period ended September 30, 2018

Net cash from operating activities in the period ended September 30, 2018 was negative ₹ 66.56 lakhs as compared to the PBT of ₹ 77.86 for the same period. This difference is primarily on account of depreciation, Interest and Financial charges, Trade payables, short term provisions, other current assets and other current liabilities.

Financial year 2017-18

Net cash from operating activities in fiscal 2018 was negative ₹ 31.04 lakhs as compared to the PBT of ₹ 62.78 lakhs for the same period. This difference is primarily on account of depreciation, Interest and Financial charges, Trade payables, short term provisions and other current liabilities, short term loans & advances, other Current Assets.

Financial year 2016-17

Net cash from operating activities in fiscal 2017 was negative ₹ 98.75 lakhs as compared to the PBT of ₹ 46.70 lakhs for the same period. This difference is primarily on account of Interest and Financial charges, Trade payables, short term provisions and other current liabilities.

Financial year 2015-16

Net cash from operating activities in fiscal 2016 was negative ₹ 2041.03 lakhs as compared to the PBT of ₹ 37.07 lakhs for the same period. This difference is primarily on account of Interest and Financial charges, Trade payables, short term provisions and other current liabilities.

Cash Flows from Investment Activities**For the period ended September 30, 2018**

In the period September 30, 2018 the net cash invested in Investing Activities was negative ₹ 0.73. This was on account of purchase of fixed assets.

Financial year 2017-18

In fiscal 2018, the net cash invested in Investing Activities was negative ₹ 48.43 lakhs. This was on account of purchase of fixed assets, investments in Keyman insurance and investment in Fixed Deposit.

Financial year 2016-17

In fiscal 2017, the net cash invested in Investing Activities was negative ₹ 20.59 lakhs. This was on account of purchase of fixed assets and investment in Fixed Deposit.

Financial year 2015-16

In fiscal 2016, the net cash invested in Investing Activities was negative ₹ 42.48 lakhs. This was on account of purchase of Fixed Assets.

Cash Flows from Financing Activities**For the period ended September 30, 2018**

Net cash from financing activities for the period ending September 30, 2018 was ₹ 26.38 lakhs. This was on account of interest cost, proceeds from borrowing.

Financial year 2017-18

Net cash from financing activities in fiscal 2018 was ₹ 115.64. This was on account of increase in borrowings.

Financial year 2016-17

Net cash from financing activities in fiscal 2017 was ₹ 119.98 lakhs. This was on account of increase in borrowings.

Financial year 2015-16

Net cash from financing activities in fiscal 2017 was ₹ 2,069.60 lakhs. This was on account of increase in borrowings and further issue of capital.

OTHER MATTERS**1. Unusual or infrequent events or transactions**

Except as described in this Draft Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

2. Significant economic changes that materially affected or are likely to affect income from continuing Operations

Other than as described in the Section titled “*Financial Information*” and chapter titled “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*”, beginning on page nos. 113 and 135 respectively of this Draft Prospectus respectively, to our knowledge there are no significant economic changes that materially affected or are likely to affect income from continuing Operations.

3. Known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations

Other than as described in the chapter titled “*Risk Factors*” and “*Management’s Discussion and Analysis of Financial Conditions and Result of Operations*”, beginning on page nos. 17 and 135 respectively of this Draft Prospectus respectively to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our company from continuing operations.

4. Future relationship between Costs and Income

Other than as described in the section titled “*Risk Factors*” beginning on page no. 17 of this Draft Prospectus, to our knowledge there are no factors, which will affect the future relationship between costs and income or which are expected to have a material adverse impact on our operations and finances.

5. The extent to which material increases in revenue or income from operations are due to increased volume, introduction of new products or services or increased prices

Increases in revenues are by and large linked to increases in introduction of new services and volume of business activity carried out by the Company.

6. Total turnover of each major industry segment in which our Company operates.

Our Company is engaged in the business of trading of iron and steel products. Relevant data has been included in chapter titled ‘*Industry Overview*’ beginning on page number 63 of this Draft Prospectus.

7. Status of any publicly announced new products or business segments

Please refer to the chapter titled “*Our Business*” beginning on page no. 73 of this Draft Prospectus.

8. The extent to which the business is seasonal.

Our business is not seasonal in nature.

9. Any significant dependence on a single or few suppliers or customers

Our company does not depend on few customers or few suppliers. For further details, please refer chapter “*Our Business*” beginning on page no. 73 of this Draft Prospectus.



CAPITALIZATION STATEMENT

STATEMENT OF CAPITALIZATION

(₹ in lakhs)

Particulars	Pre-Issue (as at March 31, 2018)	Post Issue
Debt		
Long Term Debt (including current maturity on long term debt)	479.04	479.04
Short term debt	288.40	288.40
Total debts (A)	767.45	767.45
Shareholder's funds		
Share capital	2,000.00	[•]
Reserve and surplus	179.54	[•]
Total (B)	2,179.54	[•]
Long term debt (including current maturity of long term debt) / Shareholder's funds	0.22	[•]
Total debt / shareholder's funds	0.35	[•]

*The above has been computed on the basis of restated financials

FINANCIAL INDEBTEDNESS

Set forth below, is a brief summary of our Company's borrowings as on September 30, 2018 together with a brief description of certain significant terms / material covenants of the relevant financing arrangements.

(₹ in lakhs)

Nature of Borrowing	Amount
Secured Borrowings	288.40
Unsecured Borrowings [#]	479.04
Total	767.44

Includes current maturities of long term borrowings of ₹ 147.40 lakhs.

A. Details of Secured Loans (other than vehicle loans)

(₹ in lakhs)

Name of Lenders	Type of Loan	Date of Sanction	Amount Sanctioned	Amount outstanding as on September 30, 2018	Interest (in %)	Tenor/ Repayment Schedule	Security
Punjab National Bank	Cash Credit	December 16, 2017	300.00	288.40	MCLR 1 year + 3.50% = 11.65%	Repayable on demand	Note 1
	Letter of Guarantee		200.00				

Note 1: Primary Security:

All current assets both present & future including stocks, book debts, receivables etc. charged to bank.

Collateral Security:

Following Assets owned by our Promoter Mrs. Tina Gandhi

- Flat no- 507, The Summit Business Bay, A.K Road, Gundavali, Andheri East, Mumbai- 400093;
- Flat no- 3004, Building No- 11F, Indiabulls Greens, Kon Panvel, Dist- Raigad
- Flat No- 2102, Tower D, Omkar Alta Monte, Kokani pada, Kurar, Malad (E), I Mumbai- 400097 after reducing the Housing Loan.

Guarantees:

Personal Guarantees

- Mr. Kunal Gandhi
- Mrs. Tina Gandhi
- Mr. Sapan Paikray

RESTRICTIVE / NEGATIVE COVENANTS

The above loan agreements includes certain restrictive covenants in relation to certain actions to be undertaken by our Company and for which prior written approval of the Bank is required. The major restrictive covenants (which require prior approval) are mentioned below:

1. Borrower/Obligor shall not, without the prior written approval of the Bank:

- Open Current Account with any other Bank without prior permission of bank.
- change the general nature of its business or undertake any expansion or invest in any other entity;
- permit any change in its ownership/control/management (including by pledge of promoter/sponsor shareholding in the Borrower to any third party);

- Enter into arrangement whereby its business/ operations are managed or controlled, directly or indirectly, by any other person.

Further, Our Company has enhanced Cash Credit facilities existing ₹ 300.00 lakhs to ₹ 1,000.00 lakhs and reduced the letter of Guarantee from existing ₹ 200.00 lakhs to Nil from Punjab National Bank vide bank sanction letter dated January 28, 2019.

B. Details of Unsecured Borrowings:

Our Company has availed unsecured loans as on September 30, 2018 details of which are set out below:

(₹ in lakhs)

Sr. No.	Nature of Borrowing	Amount
1.	Loan from Banks	83.34
2.	Loan from Financial Institutions	216.50
3.	Loan from Directors*	179.19
Total		479.04

**These loans availed from Directors are interest free and are repayable on demand.*



SECTION VII- LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no:

A. outstanding (i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) claims relating to direct and indirect taxes; or (iv) Material Litigation (as defined below); involving our Company, Directors and Promoters. Our Board, in its meeting held on February 09, 2019 has inter-alia adopted the materiality policy for purposes of disclosure of litigations in the Draft Prospectus and has determined that outstanding legal proceedings involving the Company, Directors and Promoters where the aggregate amount involved, in such individual litigation exceeds 1% of the total revenue of our Company on the end of the most recent period covered in the last audited financial statements of the Company, will be considered as material litigation (“Material Litigation”).

As per the materiality policy adopted by the Board of our Company in its meeting held on February 9, 2019, creditors of our Company to whom an amount in excess of 1% of the total revenue for the period ending September 30, 2018 as per the last audited financial statements was outstanding, were considered ‘material’ creditors. 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 Regulations have been disclosed on our website at www.pentechmetals.co.in.

Our Company, Directors and Promoters have not been declared as wilful defaulters by the RBI or any government authority and there have been no violations of securities laws in the past or pending against them.

LITIGATION INVOLVING OUR COMPANY

A. LITIGATION AGAINST OUR COMPANY

1. Criminal matters

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

NIL

4. Other Pending Litigations

NIL

B. LITIGATION FILED BY OUR COMPANY

1. Criminal matters

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL

ii) Indirect Taxes Liabilities

NIL

4. Other Pending Litigations

NIL

LITIGATION INVOLVING OUR DIRECTORS

A. LITIGATION AGAINST OUR DIRECTORS

1. Criminal matters

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

NIL

4. Other Pending Litigations

NIL

B. LITIGATION FILED BY OUR DIRECTORS

1. Criminal matters

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

NIL

4. Other Pending Litigations

NIL

LITIGATION INVOLVING OUR PROMOTER

A. LITIGATION AGAINST OUR PROMOTER

1. Criminal matters

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

NIL

4. Other Pending Litigations

NIL

B. LITIGATION FILED BY OUR PROMOTER

1. Criminal matters

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

NIL

4. Other Pending Litigations

NIL

Outstanding dues to creditors

As per the materiality policy adopted by the Board of our Company, creditors of our Company to whom an amount in excess of 1% of the total revenue for the period ending September 30, 2018 as per the last audited financial statements was outstanding, were considered 'material' creditors. Based on these criteria, our Company had the following creditors as on September 30, 2018:

Particulars	Number of Creditors	Amount involved (₹ In Lakhs)
Micro, Small and Medium Enterprise	-	-
Material Creditors	3	2,073.73
Other Creditors	34	596.14

Further, based on available information regarding status of the creditor as a micro, small or a medium scale enterprise as defined under the Micro, Small and Medium Enterprises Development Act, 2006, as of September 30, 2018, our Company did not owe any dues to any micro, small and medium scale enterprises.

For further details, please see the website of the Company at www.pentechmetals.co.in.

Information provided on the website of our Company is not a part of this Draft Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website, would be doing so at its own risk.

Disciplinary action including penalty imposed by SEBI or Stock Exchanges against the Promoters during the last 5 financial years

There are no disciplinary actions including penalty imposed by SEBI or Stock Exchanges against the Promoters during the last 5 financial years including outstanding actions.

MATERIAL DEVELOPMENTS OCCURRING AFTER LAST BALANCE SHEET DATE

Except as disclosed elsewhere in this Draft Red Herring Prospectus, there have been no material developments that have occurred after the Last Balance Sheet Date. For further details, please see the chapter titled "*Management Discussions and Analysis of Financial Conditions and Result of Operations*" beginning on page 135 of this Draft Prospectus.

MATERIAL LITIGATIONS INVOLVING ONE OF OUR PROMOTER GROUP MEMBERS

Application No. 265 of 2017 dated January 24, 2017 filed before the Mumbai Debt Recovery Tribunal-1 by Bank of Baroda against (i) Messrs. Magnum Steel ("Defendant No. 1"), (ii) Mr. Kishor Gandhi ("Defendant No.2"), (iii) Mr. Kunal Gandhi ("Defendant No.3"), (iv) Mrs. Rupa K. Gandhi ("Defendant No.4") and (v) Mr. Bhumit K. Gandhi ("Defendant No.5")

An Original Application dated January 24, 2017 was filed by Bank of Baroda ("**the Bank**") before the Mumbai Debts Recovery Tribunal-1 against Defendant No.1 viz. Messrs. Magnum Steel. The Bank had extended letters of credit amounting to ₹ 53,00,00,000/- and cash credit facilities amounting to ₹ 47,00,00,000/- to the Firm. In turn Defendants Nos.1, 2 and 3 provided securities by way of mortgage of certain immovable properties and hypothecation of certain assets. Further, Defendant Nos. 4 and 5 extended guarantees for securing the aforesaid facilities. Defendant Nos.2 and 3 are partners of the Firm. The letters of credit devolved upon the Bank and the Bank paid the amount of the bills of exchange drawn by various beneficiaries to the beneficiaries. The Firm failed to pay

the amounts of the bills of exchange and consequently the Bank adjusted the overdue bills of exchange by debiting the amounts to the Cash Credit Account/Current Account of Defendant No.1. The Defendant No. 1 also failed to serve monthly interest in respect of the said credit facilities for several months. Since the bills of exchange became overdue and remained unpaid for several months post the due dates, the account of Defendant No.1 was classified as a Non-Performing Asset. Defendant No.1 failed to regularize the account with respect to the aforesaid facilities. Thereafter, the Bank issued a notice under Section 13(2) of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 and called upon Defendant No.1 to make payments of the amounts due. Defendant No.1 to comply with the above notice. Therefore, the Bank filed the above Application inter-alia praying for directions that (i) that the Defendants be jointly and severally liable to pay an amount of ₹ 102,46,48,618.75 ps. (Rupees One Hundred and Two Crores Forty Six Lacs Forty Eight Thousand Six Hundred and Eighteen and Seventy Five Paise Seventy Five only) with (“**Claim Amount**”) (ii) Recovery Certificate in favour of the Bank be issued against the Defendants for the Claim Amount; (iii) it should be declared that the Claim Amount is duly secured by valid and subsisting hypothecation of certain assets & mortgage of certain immovable properties of the Defendants; (iv) certain hypothecated securities be ordered to be sold and the net sale proceeds to be paid to the Bank. The Bank has claimed the Claim Amount with further interest of 13.4% p.a. with monthly rests plus 2% penal interest from January 25, 2017 till the payment/or realization. The matter is currently pending.

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 bodies/certification bodies required to undertake the Issue or continue our business activities. In view of the approvals listed below, we can undertake the Issue and our current/proposed business activities and no further major approvals from any government/regulatory authority or any other entity are required to be undertaken in respect of the Issue or to continue our business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of the Company or for the correctness of any statements made or any commitments made or opinions expressed in this behalf.

The main objects clause of the Memorandum of Association of the Company and the objects incidental to the main objects enable our Company to carry out its activities.

A. Approvals for the Issue

1. The Board of Directors have pursuant to section 62(1)(c) of the Companies Act, 2013, by a resolution passed at the meeting held on February 6, 2019 authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of the Company have, pursuant to section 62(1)(c) of the Companies Act, 2013, by a special resolution passed in the Extraordinary General Meeting held on February 08, 2019 authorized the Issue.
3. Approval dated [●] from the BSE for listing of the Equity Shares issued by our Company pursuant to the Issue.
4. Our Company's International Securities Identification Number is INE05AW01012.

B. Approvals pertaining to Incorporation, name and constitution of our Company

1. Certificate of Incorporation dated October 9, 2014 issued by the Assistant Registrar of Companies, Maharashtra in the name of "Pentech Metals Private Limited".
2. Fresh Certificate of Incorporation Consequent upon Conversion from Private Company to Public Company dated February 05, 2019 issued to our Company by the Registrar of Companies, Mumbai consequent upon change of name of our Company from "Pentech Metals Private Limited" to "Pentech Metals Limited".
3. The Corporate Identity Number of the Company is U51909MH2014PLC258618.

C. Business Related Approvals

Our Company has obtained the following business related approvals for carrying out its activities:

Sr. No.	Particulars	Granting Authorities	Registration Number	Date of Issue	Date of Expiry
1.	Certificate of Importer-Exporter Code (IEC)	Additional Director General of Foreign Trade	0314069763	December 24, 2014	Valid Until Cancelled

D. Tax related approvals

Our Company has obtained the following tax approvals for carrying out its activities:

Sr. No.	Particulars	Granting Authorities	Registration Number	Date of Issue	Date of Expiry
1.	Permanent Account No. (PAN)	Income Tax Department, Govt. of India	AAHCP8625L	October 9, 2014	Valid until cancelled

Sr. No.	Particulars	Granting Authorities	Registration Number	Date of Issue	Date of Expiry
2.	Tax Deduction Account No. (TAN)	Income Tax Department, Govt. of India	MUMP-34378B	-	Valid until cancelled
3.	Certificate of Registration issued under provisions of Central Goods and Services Tax Act, 2017 for premises at Office No.507, 5 th Floor, The Summit Business Bay, A.K Road, Andheri East, Mumbai, 400093.	Government of India	27AAHCP8625L1ZU	Date of Issue: August 25, 2015 Date of Effect: September 22, 2017	Valid until cancelled
4.	Certificate of Registration under sub-section (1) of Section 5 of Maharashtra State Tax on Professions, Trades, Callings and Employments Act 1975 Form I-A	Profession Tax Officer (C-016), Registration Branch, Mumbai	27891092212P	Date of Issue: September 8, 2015 Date of Effect: February 1, 2015	Valid until cancelled

5. The Company has obtained professional enrolment no.99562232362 Punder Maharashtra State Tax on Professions, Trades, Callings and Employments Act 1975.

E. Pending Approvals

The Company is in the process of making an application to the concerned authorities for seeking registration of its premises situated at Office No. 507, 5th Floor, The Summit Business Bay, A. K. Road, Andheri East, Mumbai, 400093 under Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017.



OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

Our Board of Directors have vide resolution dated February 06, 2019 authorized the Issue, subject to the approval by the shareholders of our Company under Section 62 (1) (c) of the Companies Act, 2013.

The shareholders have authorized the Issue, by passing a Special Resolution at the Extra-Ordinary General Meeting held with a shorter notice on February 08, 2019 in accordance with the provisions of Section 62 (1) (c) of the Companies Act, 2013.

The Offer for Sale of 24,00,000 Equity Shares by Mrs. Tina Gandhi, the Selling Shareholder, has been authorised vide consent letter dated February 06, 2019.

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

The Company has obtained approval from BSE vide letter dated [●] to use the name of BSE in this Issue Document for listing of equity shares on the SME platform of the BSE. BSE is the designated stock exchange.

Prohibition by SEBI or Governmental Authorities

We confirm that there is no prohibition on our Company, the Selling Shareholder, its Directors, Promoter and entities forming part of our Promoter Group, person in control of our Company from accessing the capital market or operating in the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any other authority / court as on the date of this Draft Prospectus.

The listing of any securities of our Company has never been refused at any time by any of the stock exchanges in India.

Prohibition by RBI

Neither our Company nor the Selling Shareholder or our Promoter or Directors has been declared as wilful defaulter(s) by the RBI or any other governmental authority.

Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018

Our Company is in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 (“**SBO Rules**”), to the extent applicable, as on the date of the Draft Prospectus.

Under the SBO Rules certain persons who are significant beneficial owners, are required to intimate their beneficial holdings to our Company in Form no. BEN-1. However, pursuant to the General Circular no. 8/2018 dated September 10, 2018 issued by the Ministry of Corporate Affairs, Government of India (“**MCA**”), filing of Form no. BEN-1 under the SBO Rules has been deferred until further notification from MCA. Therefore, compliance by Promoter and members of the Promoter Group, with the SBO Rules, to the extent applicable to each of them will be completed only upon further notification by the MCA.

Association with 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 “*Risk factors*”, “*Our Promoter*

Promoter Group”, “*Group Company*” and “*Outstanding Litigations and Material Developments*” beginning on page nos. 17, 107, 111 and 146 respectively, of this Draft Prospectus.

Eligibility for the Issue

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulation; and this Issue is an “Initial Public Issue” in terms of the SEBI (ICDR) Regulations.

Our Company is eligible for the Issue in accordance with the Regulation 229(2) of Chapter IX of the SEBI (ICDR) Regulations, 2018, whereby, an issuer whose post issue paid-up capital is more than ten crore rupees and upto twenty five crore rupees. Our Company shall issue shares to the public and has proposed to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the SME Platform of BSE).

As per Regulation 229 (3) of the SEBI ICDR Regulations, our Company satisfies track record and/or other eligibility conditions of BSE SME Exchange in accordance with the Restated Standalone Financial Statements, prepared in accordance with the Companies Act and restated in accordance with the SEBI ICDR Regulations as below:

- a) Our Company was incorporated on October 09, 2014, with the Registrar of Companies, Mumbai under the Companies Act, 2013 in India
- b) As on the date of this Draft Prospectus, our Company has a paid up capital of ₹ 2,000.00 lakhs (₹ 20.00 crores), which is in excess of ₹ 3 crore, and the Post Issue Capital will be of ₹ 2,404.00 lakhs (₹ 2.40 crores).
- c) The Networth (excluding revaluation reserves) of the Company is positive as per the latest audited financial statements.
- d) Our Company has track record of distributable profits for at least three financial years and each financial year has been a period of at least 12 months.
- e) The distributable Profit, Cash Accruals and Net worth of our Company as per the restated financial statements for the period ended September 30, 2018 and year ended as at March 31, 2018, 2017 and 2016 is as set forth below:

(₹ in lakhs)

Particulars	September 30, 2018	FY 2017-18	FY 2016-17	FY 2015-16
Distributable Profit	53.20	62.78	31.04	19.48
Net Worth	2,179.54	2,126.35	2,063.57	2,032.17
Cash Accruals	81.01	102.15	52.19	40.03
Net Tangible Asset	6,500.17	5,836.89	6,843.25	6,244.86

⁽¹⁾ *Distributable profits have been computed in terms section 123 of the Companies Act, 2013.*

⁽²⁾ *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.*

⁽³⁾ *Cash accruals” has been defined as the Earnings before depreciation and tax from operations.*

⁽⁴⁾ *Net Tangible Assets” has been defined the sum of all net assets, excluding intangible assets*

- f) Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
- g) There is no winding up petition against the company, which has been admitted by a Court of competent jurisdiction or a liquidator has not been appointed.
- h) There has been no change in the Promoter of the Company in the preceding one year from date of filing application to BSE for listing on SME segment.
- i) Our company shall mandatorily facilitate trading in demat securities and enter into an agreement with both the depositories.

- j) No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.
- k) We have a website: www.pentechmetals.co.in
- l) None of the Directors of our Company have been categorised as a Wilful Defaulter

As per Regulation 230 (1) of the SEBI ICDR Regulations, our Company has ensured that:

- The Draft Prospectus has been filed with BSE and our Company has made an application to BSE for listing of its Equity Shares on the SME platform of the BSE. BSE is the Designated Stock Exchange.
- Our Company has entered into an agreement dated February 01, 2019 with NSDL and agreement dated February 11, 2019 with CDSL for dematerialisation of its Equity Shares already issued and proposed to be issued.
- The entire pre-Issue capital of our Company has shares fully paid-up Equity Shares and the Equity Shares proposed to be issued pursuant to this IPO will be fully paid-up.
- The entire Equity Shares held by the Promoter will be in dematerialised form before opening of the Issue for subscription.
- Our Company has made firm arrangements of finance through verifiable means towards seventy five per cent of the stated means of finance for funding from the issue proceeds, excluding the amount to be raised through the proposed public issue or through existing identifiable internal accruals. For details, please refer the chapter “*Objects of the Issue*” on page no. 53 of this Draft Prospectus.

Our Company confirms that it will ensure compliance with the conditions specified in Regulation 230 (2) of the SEBI ICDR Regulations, to the extent applicable.

Further, our Company confirms that it is not ineligible to make the Issue in terms of Regulation 228 of the SEBI ICDR Regulations, to the extent applicable. The details of our compliance with Regulation 228 of the SEBI ICDR Regulations are as follows:

- (a) Neither our Company nor our Promoter, members of our Promoter Group or our Directors are debarred from accessing the capital markets by the SEBI.
- (b) None of our Promoter or Directors are promoters or directors of companies which are debarred from accessing the capital markets by the SEBI.
- (c) Neither our Company nor our Promoters or Directors is a wilful defaulter.
- (d) None of our Promoters or Directors is a fugitive economic offender.

We further confirm that we shall be complying with all other requirements as laid down for such offer 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.

Further, in accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, 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 unblocked forthwith. If such money is not repaid within eight (8) 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 (8) Working Days, be liable to repay such application money, with an interest at the rate as prescribed under the Companies Act 2013. 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.

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, ARYAMAN FINANCIAL SERVICES LIMITED, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 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 AND THE SELLING SHAREHOLDER ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT PROSPECTUS, THE LEAD MERCHANT BANKER ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE SELLING SHAREHOLDER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER, ARYAMAN FINANCIAL SERVICES LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED [●].

AS PER REGULATION 246(1) AND 246(3) OF THE SEBI ICDR REGULATIONS, ONLY THE PROSPECTUS HAS TO BE FILED WITH SEBI ALONGWITH A DUE DILIGENCE CERTIFICATE AS PER FORM A OF SCHEDULE V OF THE SEBI ICDR REGULATIONS BY THE LEAD MANAGER. ACCORDINGLY, THIS SECTION WILL BE UPDATED AT THE TIME OF FILING THE PROSPECTUS WITH STOCK EXCHANGE AND ROC AND PROSPECTUS AND DUE DILIGENCE CERTIFICATE AS PER FORM A OF SCHEDULE V OF THE SEBI ICDR REGULATIONS WITH SEBI.

THE FILING OF THE DRAFT 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 THE DRAFT PROSPECTUS.

Note:

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Draft Prospectus with the RoC in terms of section 26 and 30 of the Companies Act, 2013.

Disclaimer from our Company, the Selling Shareholder and the Lead Manager

Our Company, the Selling Shareholder and the Lead Manager accept no responsibility for statements made otherwise than those contained in this Draft Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at his or her own risk.

Disclaimer in respect of Jurisdiction

This Issue is being made in India to persons resident in India including Indian nationals resident in India (who are not minors, except through their legal guardian), Hindu Undivided Families (HUFs), companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), Trusts registered under the Societies Registration Act, 1860, as amended from time to time, or any other trust law

and who are authorised under their constitution to hold and invest in shares, permitted insurance companies and pension funds and to non-residents including NRIs and FIIs. The Prospectus does not, however, constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this issue will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and the Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of the Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been any change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

Disclaimer Clause under Rule 144A of the U.S. Securities Act

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the “Securities Act”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to “qualified institutional buyers”, as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

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

Disclaimer Clause of the BSE

As required, a copy of the Draft Prospectus shall be submitted to the BSE Limited (hereinafter referred to as BSE). The Disclaimer Clause as intimated by the BSE to us, post scrutiny of the Draft Prospectus, shall be included in the Prospectus prior to filing the same with RoC.

Listing

Application have been made to SME Platform of BSE for obtaining permission for listing of the Equity Shares being offered and sold in the issue on its SME Platform after the allotment in the Issue. BSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

If the permission to deal in and for an official quotation of the Equity Shares on the SME Platform is not granted by BSE, our Company and the Selling Shareholder 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 fifteen days from the closure of the Issue or such lesser time as may be specified by Securities and Exchange Board or else the application money shall be refunded to the applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of fifteen per cent per annum for the delayed period as prescribed under Companies Act, 2013, the SEBI (ICDR) Regulations and other applicable law.

Our Company and the Selling Shareholder shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of BSE mentioned above are taken within 6 Working Days of the Issue Closing Date.

The Company has obtained approval from BSE vide letter dated [●] to use the name of BSE in this offer document for listing of equity shares on SME Platform of BSE.

Consents

Consents in writing of: (a) the Directors, the Selling Shareholder, the Chief Financial Officer, Company Secretary & Compliance Officer and the Statutory Auditor; and (b) the Lead Manager, Registrar to the Issue, the Legal Advisor to the Issue, Banker to the Company*, the Banker to the Issue & Sponsor Bank*, Market Maker and Underwriters to act in their respective capacities, have been obtained and shall be filed along with a copy of the Prospectus with the RoC, as required under Section 26 and 28 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.

**The aforesaid will be appointed prior to filing of the Prospectus with RoC and their consents as above would be obtained prior to the filing of the Prospectus with RoC.*

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, M/s. V. J Shah & Company., Chartered Accountants, have provided their written consent to the inclusion of their reports dated February 18, 2019 on Restated Financial Statements and to the inclusion of their reports dated February 18, 2019 on Statement of Special Tax Benefits, which may be available to the Company and its shareholders, included in this Draft Prospectus in the form and context in which they appear therein and such consents and reports have not been withdrawn up to the time of filing of this Draft Prospectus.

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. V. J Shah & Co., Chartered Accountants to include their name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Prospectus and as “Expert” as defined under section 2(38) of the Companies Act, 2013 in respect of the reports on the Statement of Special Tax Benefits dated February 18, 2019 and on the Restated Financial Statements dated February 18, 2019 and issued by them, included in this Draft Prospectus and such consent has not been withdrawn as on the date of this Draft Prospectus.

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

CAPITAL ISSUE DURING THE LAST FIVE YEARS

Previous Public and Rights Issues

We have not made any rights and public issues in the past, and we are an “Unlisted Company” in terms of the SEBI (ICDR) Regulations and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations.

Previous Issues of Equity Shares otherwise than for Cash

Except as stated in the chapter titled “*Capital Structure*” beginning on page no. 44 of this Draft Prospectus, we have not issued any Equity Shares for consideration other than for cash.

Commission and Brokerage Paid on Previous Issues of our Equity Shares

Since this is an Initial Public Offer of the Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since inception of the Company.

Capital Issues in the last three (3) years by Listed Group Companies / Subsidiaries / Associates

None of our Group Companies / Subsidiaries / Associates that are listed on any Stock Exchange has made any Capital Issue in the last three (3) years.

PERFORMANCE VIS-À-VIS OBJECTS**Issuer Company**

Our Company has not made any public issue (including any rights issue to the public) since its incorporation.

Listed Group Companies / Subsidiaries / Associate Companies

None of our Group Companies / Subsidiaries / Associates is listed on any Stock Exchange and not made any rights and public issues in the past ten (10) years.

OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY THE COMPANY

The Company has no outstanding debentures or bonds. The Company has not issued any redeemable preference shares or other instruments in the past.

Price Information of past issues handled by the Lead Manager

Sr. No.	Issue Name	Issue size (₹ Cr.)	Issue Price (₹)	Listing date	Opening price on listing date	+/- % change in Price on closing price, [+/- % change in closing benchmark]- 30 th calendar days from listing		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 90 th calendar days from listing		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 180 th calendar days from listing	
1.	DRS Dilip Roadlines Limited	31.50	75.00	10/12/2018	75.15	1.33%	3.50%	N.A.	N.A.	N.A.	N.A.
2.	Roni Households Limited	3.00	20.00	03/12/2018	20.05	25.00%	-0.96%	N.A.	N.A.	N.A.	N.A.
3.	Marine Electricals India Limited	42.87	66.00	11/10/2018	66.60	21.21%	3.43%	24.17%	6.06%	N.A.	N.A.
4.	Silgo Retail Limited	4.88	36.00	10/10/2018	36.45	0.00%	1.20%	0.00%	3.27%	N.A.	N.A.
5.	Sky Gold Limited	25.56	180	03/10/2018	180.45	2.22%	-2.68%	0.58%	0.78%	N.A.	N.A.
6.	Saketh Exim Limited	9.44	69.00	13/08/2018	69.30	0.00%	0.12%	3.48%	-6.79%	18.84%	-3.63%
7.	Supershakti Metaliks Limited	60.01	375	30/07/2018	377.10	12.00%	3.28%	9.73%	-11.06%	8.00%	-3.92%
8.	Ambani Organics Limited	9.03	66	18/07/2018	66.65	0.30%	4.47%	0.15%	-3.60%	0.76%	-2.21%
9.	Jakharia Fabric Limited	19.66	180	11/07/2018	181.35	5.56%	4.40%	0.00%	-5.91%	0.56%	-1.61%
10.	Garv Industries Limited	3.20	10	25/04/2018	10.00	-10.00%	1.23%	-10.60%	6.74%	-22.00%	-1.06%

Summary Statement of Disclosure

Financial Year	Total no. of IPOs	Total Funds Raised (₹ in Cr.)	Nos. of IPOs trading at discount - 30 th calendar day from listing day			Nos. of IPOs trading at premium - 30 th calendar day from listing day			Nos. of IPOs trading at discount - 180 th calendar day from listing day			Nos. of IPOs trading at premium - 180 th 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 ⁽¹⁾⁽²⁾	13	324.54	-	-	1	-	1	9	-	-	2	-	-	6

Financial Year	Total no. of IPOs	Total Funds Raised (₹ in Cr.)	Nos. of IPOs trading at discount - 30 th calendar day from listing day			Nos. of IPOs trading at premium - 30 th calendar day from listing day			Nos. of IPOs trading at discount - 180 th calendar day from listing day			Nos. of IPOs trading at premium - 180 th 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%
2017-18	16	318.24	1	1	4	1	1	8	3	3	3	-	-	6
2016-17	10	147.26	-	1	-	1	-	8	-	1	-	2	3	4
2015-16	3	15.90	-	-	-	-	-	3	-	-	-	1	1	1

⁽¹⁾As on the 30th Calendar day from the listing day, the price of Saketh Exim Limited and Silgo Retail Limited is exactly equal to its Issue Price and hence it is neither trading at Premium or Discount

⁽²⁾Details indicated in 2018-19 are for the IPOs completed as on date.

Notes:

- Since the listing dates of DRS Dilip Roadlines Limited and Roni Households Limited was on December 10, 2018 and December 03, 2018 respectively, hence information related to closing price and benchmark index as on the 90th calendar day and 180th calendar day from the listing date is not available.
- Since the listing dates of Marine Electricals (India) Limited, Silgo Retail Limited and Sky Gold Limited was on October 11, 2018, October 10, 2018 and October 03, 2018, hence information related to closing price and benchmark index as on the 180th calendar day from the listing date is not available.
- The respective Designated Stock Exchange for each Issue has been considered as the Benchmark index for each of the above Issues.
- In the event any day falls on a holiday, the price/index of the immediate preceding working day has been considered. If the stock was not traded on the said calendar days from the date of listing, the share price is taken of the immediately preceding trading day.
- Source: www.bseindia.com and www.nseindia.com BSE Sensex and Nifty Fifty as the Benchmark Indices.

Track record of past issues handled by the Lead Manager

For details regarding the track record of the Lead Manager to the Issue as specified in Circular reference CIR/MIRSD/1/ 2012 dated January 10, 2012 issued by the SEBI, please see the website of Aryaman Financial Services Limited – www.afsl.co.in

DISPOSAL OF INVESTOR GRIEVANCES

Mechanism for Redressal of Investor Grievances

The Company and the Selling Shareholder 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 Registrar to the Issue, with a copy to the relevant SCSBs at any of the Specified Locations or the relevant Registered Broker if the Application was submitted through Registered Brokers, as the case may be, giving full details such as name and address of the sole or the First Bidder, the Application Form number, Applicant’s DP ID, Client ID, PAN, number of the Equity Shares applied for, date of Application Form, name and address of the member of the Syndicate or the Registered Broker or the Designated Branch, as the case may be, where the ASBA Application was submitted and ASBA Account (for Applicants other than RIIs applying through the UPI mechanism) in which the amount equivalent to the Application Amount was blocked or UPI ID in case of RIIs applying through the UPI mechanism. Further, the investor shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Applicants. Our Company, the Lead Manager and the Registrar to the Issue accept no responsibility for errors, omissions, commission or any acts of SCSBs, RTA, CDPs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations.

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.

The Company shall obtain authentication on the SCORES and comply with the SEBI circular (CIR/OIAE/1/2013) dated April 17, 2013 in relation to redressal of investor grievances through SCORES

Our Board by a resolution on February 11, 2019 constituted a Stakeholders Relationship Committee. The composition of the Stakeholders Relationship Committee is as follows:

Name of the Member	Nature of Directorship	Designation in Committee
Mr. Girish Sangani	Non Executive Director	Chairman
Mr. Amit Sheth	Non Executive Independent Director	Member
Mr. Vishal Mehta	Non Executive Independent Director	Member

For further details, please see the chapter titled “*Our Management*” beginning on page no. 95 of this Draft Prospectus.



The Company has also appointed Ms. Surabhi Agrawal as the Company Secretary and Compliance Officer for this Issue and she may be contacted at the Registered Office of our Company. The contact details are as follows:

Name: Ms. Surabhi Agrawal

Address: Office No.507, 5th Floor, The Summit Business Bay, Andheri A.K Road, Gondavali, Opp.Cinemax, Andheri – 400093

Tel No: +91 22 4283 8500

Email: info@ pentechmetals.co.in

Investors can contact the Compliance Officer or the Registrar to the Issue or the Lead Manager in case of any pre-Issue or post- Issue related problems, such as non-receipt of letters of Allotment, credit of Allotted Equity Shares in the respective beneficiary accounts and refund orders.

Status of Investor Complaints

We confirm that we have not received any investor complaint during the three years preceding the date of this Draft Prospectus and hence there are no pending investor complaints as on the date of this Draft Prospectus.

DISPOSAL OF INVESTOR GRIEVANCES BY LISTED COMPANIES UNDER THE SAME MANAGEMENT

For details of Investor Grievances by Listed Companies under the same Management, see the chapter “*Our Group Company*” beginning on page no. 111 of this Draft Prospectus.

SECTION VIII-ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued are subject to the provisions of the Companies Act, SEBI (ICDR) Regulations, 2018 SEBI Listing Regulations, SCRA, SCRR, our Memorandum and Articles of Association, the terms of this Draft Prospectus, the Prospectus, the Application Form, the Revision Form, the Confirmation of Allocation Note and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of this Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, RBI, the Government of India, the Stock Exchanges, the RoC and/or any other authorities while granting its approval for the Issue.

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 vide the said circular Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official websites of the concerned stock exchanges for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.

Ranking of Equity Shares

The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013 our Memorandum and Articles of Association, SEBI ICDR Regulations, SCRA and shall rank *pari-passu* in all respects including dividend with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment.

For further details, please see the section titled "*Main Provisions of the Articles of Association*" beginning on page no. 229 of this Draft Prospectus.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, 2013 the Memorandum and Articles of Association and provisions of the SEBI Listing Regulations and any other guidelines or directions which may be issued by the Government in this regard. Dividends, if any, declared by our Company after the date of Allotment (pursuant to the transfer of Equity Shares from the Offer for Sale), will be payable to the Applicants who have been Allotted Equity Shares in the Issue, for the entire year, in accordance with applicable laws. For further details, in relation to dividends, see "*Dividend Policy*" and "*Main Provisions of the Articles of Association*" beginning on page nos. 112 and 229 of this Draft Prospectus.

Face Value and Issue Price

The Equity Shares having a face value of ₹ 10 each are being issued in terms of this Draft Prospectus at the price of ₹ 10 per Equity Share. The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the chapter titled "*Basis for Issue Price*" beginning on page no. 58 of this Draft 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 SEBI (ICDR) Regulations

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations, 2018. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy and e-voting, in accordance with the provisions of the Companies Act;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability 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 Companies Act, terms of the listing agreements with the Stock Exchange and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien and / or consolidation / splitting, etc., please see the section titled "*Main Provisions of Articles of Association of our company*" beginning on page no. 229 of this Draft Prospectus.

Allotment only in Dematerialised Form

In terms of Section 29 of Companies Act, 2013, the Equity Shares shall be allotted only in dematerialised form. As per the SEBI (ICDR) Regulations, 2018 the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar and Share Transfer Agent to the Issue:

- 1) Tripartite agreement dated February 01, 2019 between our Company, NSDL and the Registrar and Share Transfer Agent to the Issue.
- 2) Tripartite agreement dated February 11, 2019 between our Company, CDSL and the Registrar and Share Transfer Agent to the Issue.

Market Lot and Trading Lot

Trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012 and the same may be modified by SME Platform of BSE from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Share subject to a minimum allotment of [●] Equity Shares to the successful Applicants.

Minimum Number of Allottees

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies collected shall be refunded within 6 Working days of closure of issue.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities in Mumbai.

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

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

Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

Nomination Facility to Investor

In accordance with Section 72 of the Companies Act, 2013 and the rules made thereunder, the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 (3) of the Companies Act, 2013, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in accordance to Section 72 (4) of the Companies Act, 2013, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Articles of Association of the Company, any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

- ✓ to register himself or herself as the holder of the Equity Shares; or
- ✓ to make such transfer of the Equity Shares, as the deceased holder could have made

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

In case the allotment of Equity Shares is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

Withdrawal of the Issue

Our Company and the Selling Shareholder in consultation with the Lead Managers, reserves the right not to proceed with the Issue at any time after the Issue Opening Date but before the Board meeting for Allotment. In such an event our Company and the Selling Shareholder would issue a public notice in the newspapers, in which the pre-issue advertisements were published, within two days of the issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager, through the Registrar to the Issue, shall notify the SCSBs and Sponsor Banks, as applicable, to unblock the bank accounts of the ASBA Applicants within one day of receipt of such notification. Our Company and the Selling Shareholder shall also promptly inform



the Stock Exchange on which the Equity Shares were proposed to be listed. Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment. If our Company and the Selling Shareholder withdraws the Issue at any stage including after the Issue Closing Date and thereafter determines that it will proceed with an IPO, our Company shall be required to file a fresh Draft Prospectus.

Issue Programme

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

Event	Indicative Date
Issue Opening Date	[●]
Issue Closing Date	[●]
Finalisation of Basis of Allotment with the Designated Stock Exchange	[●]
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	[●]
Credit of Equity Shares to demat accounts of Allottees	[●]
Commencement of trading of the Equity Shares on the Stock Exchange	[●]

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 Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue Period by our Company, or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

SEBI is in the process of streamlining and reducing the post issue timeline for IPOs. Any circulars or notifications from SEBI after the date of this Prospectus may result in change of the above mentioned timelines.

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

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

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

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Application Form, for a particular Applicant, the details as per the file received from the Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-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 rectified data.

Minimum Subscription

The requirement for 90% minimum subscription in terms of Regulation 45 of the ICDR Regulations is not applicable to the Issue. In terms of Regulation 260(1) of the ICDR Regulations, 2018 the Issue is not restricted to any minimum subscription level and is 100% underwritten. Further, pursuant to Regulation 268(1) of the ICDR Regulations, 2018 our Company shall ensure that the number of prospective allottees to whom Equity Shares will be allotted shall not be less than 50.

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. However, we shall ensure that the minimum subscription to be received shall be subject to allotment of minimum number of specified securities as prescribed in sub-clause (b) of clause (2) of rule 19 of Securities Contracts (Regulation) Rules, 1957 and also that the minimum number of allottees as prescribed in regulation 268(1) of the SEBI (ICDR) Regulations, 2018, as amended.

Arrangements for Disposal of Odd Lots

The trading of the Equity Shares will happen in the minimum contract size of [●] shares. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME Platform of BSE Limited.

Restrictions, if any, on transfer and transmission of shares or debentures and on their consolidation or splitting

Except for the lock-in of the pre-Issue capital of our Company, Promoter's Contribution and the public lock-in as provided in "*Capital Structure*" beginning on page no. 44 of this Draft Prospectus and except as provided in our Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, see "*Main Provisions of the Articles of Association*" beginning on page no. 229 of this Draft Prospectus.

New Financial Instruments

The Issuer Company is not issuing any new financial instruments through this Issue.

Allotment of Securities in Dematerialised Form

In accordance with the SEBI ICDR Regulations, 2018 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

In accordance with the BSE Circular dated November 26, 2012 our Company will have to be mandatorily listed and traded on the SME Platform of the BSE for a minimum period of two years from the date of listing and only after that it can migrate to the Main Board of the BSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter 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 Exchange on a later date subject to the following:

As per Regulation 277 of SEBI (ICDR) Regulations 2018, If the Paid up Capital of the company is more than ₹ 10 crores and up to ₹ 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 promoter in favor



of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

Market Making

The shares issued through this Issue are proposed to be listed on the SME Platform of BSE (SME Exchange), wherein the Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Maker of the SME Exchange for a minimum period of three years from the date of listing on the SME Platform of BSE.

For further details of the agreement entered into between our Company, the Lead Manager and the Market Maker, please see the chapter titled "*General Information - Details of the Market Making Arrangement for this Issue*" beginning on page no. 41 of this Draft Prospectus.

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, an issuer whose post issue face value capital exceeds more than ten crore rupees, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the SME Platform of BSE). For further details regarding the salient features and terms of such this Issue, please see the chapters titled "*Terms of the Issue*" and "*Issue Procedure*" beginning on page nos. 164 and 173 respectively, of this Draft Prospectus.

Following is the issue structure:

Public Issue of 64,40,000 Equity Shares of ₹ 10 each (the "Equity Shares") for cash at a price of [●] per Equity Share aggregating to [●] lakhs ("the Issue") by Pentech Metals Limited ("PML" or the "Company").

The Issue comprises a reservation of 3,60,000 Equity Shares of ₹ 10 each for subscription by the designated Market Maker ("the Market Maker Reservation Portion") and Net Issue to Public of 60,80,000 Equity Shares of ₹ 10 each ("the Net Issue"). The Issue and the Net Issue will constitute 26.79% and 25.29%, respectively of the post issue paid up equity share capital of the company. The Issue is being made through the Fixed Price Process:

Particulars of the Issue	Net Issue to Public	Market Maker Reservation Portion
Number of Equity Shares available for allocation	60,80,000 Equity Shares	3,60,000 Equity Shares
Percentage of Issue Size available for allocation	94.41% of the Issue Size	5.59% of the Issue Size
Basis of Allotment	Proportionate subject to minimum allotment of [●] Equity Shares and further allotment in multiples of [●] Equity Shares each.	Firm Allotment
Mode of Application	Through ASBA Process Only	Through ASBA Process Only
Minimum Application Size	<p><i>For QIB and NII:</i></p> <p>Such number of Equity Shares in multiples of [●] Equity Shares such that the Application Value exceeds ₹ 2,00,000.</p> <p><i>For Retail Individuals:</i></p> <p>[●] Equity Shares</p>	3,60,000 Equity Shares
Maximum Application Size	<p><i>For QIB and NII:</i></p> <p>Such number of Equity Shares in multiples of [●] Equity Shares such that the Application Size does not exceed up to 60,80,000 Equity Shares.</p> <p><i>For Retail Individuals:</i></p> <p>Such number of Equity Shares in multiples of [●] Equity Shares such that the Application Value does not exceed ₹ 2,00,000.</p>	3,60,000 Equity Shares
Mode of Allotment	Dematerialized Form	Dematerialized Form
Trading Lot	[●] Equity Shares	[●] Equity Shares, However the Market Maker may buy odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.
Terms of Payment	The entire Application Amount will be payable at the time of submission of the	



Particulars of the Issue	Net Issue to Public	Market Maker Reservation Portion
	Application Form	
Application Lot Size	[●] Equity Share and in multiples of [●] Equity Shares thereafter	

Note:

- 50 % of the Equity Share offered are reserved for allocation to Applicants below or equal to ₹ 2.00 lakhs and the balance for higher amount Applications.
- In case of joint Applications, the Application Form should contain only the name of the First Applicant whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Applicant would be required in the Application Form and such First Applicant would be deemed to have signed on behalf of the joint holders.
- Applicants will be required to confirm and will be deemed to have represented to our Company, the Lead Manager, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares in this Issue.
- SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB

Lot Size

SEBI vide circular CIR/MRD/DSA/06/2012 dated February 21, 2012 (the “Circular”) standardized the lot size for Initial Public Offer proposing to list on SME exchange/platform and for the secondary market trading on such exchange/platform, as under:

Issue Price(in ₹)	Lot Size (No. of shares)
Up to 14	10,000
More than 14 up to 18	8,000
More than 18 up to 25	6,000
More than 25 up to 35	4,000
More than 35 up to 50	3,000
More than 50 up to 70	2,000
More than 70 up to 90	1,600
More than 90 up to 120	1,200
More than 120 up to 150	1,000
More than 150 up to 180	800
More than 180 up to 250	600
More than 250 up to 350	400
More than 350 up to 500	300
More than 500 up to 600	240
More than 600 up to 750	200
More than 750 up to 1,000	160
Above 1,000	100

Further to the Circular, at the Initial Public Offer stage the Registrar to Issue in consultation with Lead Manager, our Company and BSE shall ensure to finalize the basis of allotment in minimum lots and in multiples of minimum lot size, as per the above given table. The secondary market trading lot size shall be the same, as shall be the IPO Lot Size at the application/allotment stage, facilitating secondary market trading.

Withdrawal of the Issue

Our Company and the Selling Shareholder in consultation with the Lead Managers, reserves the right not to proceed with the Issue at any time after the Issue Opening Date but before the Board meeting for Allotment. In such an event



our Company and the Selling Shareholder would issue a public notice in the newspapers, in which the pre-issue advertisements were published, within two days of the issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager, through the Registrar to the Issue, shall notify the SCSBs and Sponsor Banks, as applicable, to unblock the bank accounts of the ASBA Applicants within one day of receipt of such notification. Our Company and the Selling Shareholder shall also promptly inform the Stock Exchange on which the Equity Shares were proposed to be listed. Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment. If our Company and the Selling Shareholder withdraws the Issue at any stage including after the Issue Closing Date and thereafter determines that it will proceed with an IPO, our Company shall be required to file a fresh Draft Prospectus.

ISSUE PROCEDURE

All Applicants should review the General Information Document for Investing in Public Issue, prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI (the “General Information Documents”) and including SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 and (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018, and (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, to be included in the prospectus under “*Part B – General Information Document*” of this section, highlighting the key rules, procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, and the SEBI Regulations.

The General Information Documents to be included will be updated to reflect the enactments and regulations including the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, SEBI Listing Regulations and certain notified provisions of the Companies Act, 2013, to the extent applicable to a public issue. The General Information Document will also be available on the websites of the Stock Exchange and the Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

All Designated Intermediaries in relation to the Issue should ensure compliance with the SEBI circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, as amended and modified by the SEBI circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, in relation to clarifications on streamlining the process of public issue of equity shares and convertibles.

Pursuant to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fifth Amendment) Regulations, 2015, there have been certain changes in the issue procedure for initial public offerings including making the ASBA process mandatory for all Applicants, allowing registrar, share transfer agents, collecting depository participants and stock brokers to accept application forms. Further, SEBI, by its circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, reduced the time taken for listing after the closure of an issue to six working days.

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company and Lead Manager would not be able to include any amendment, modification or change in applicable law, which may occur after the date of Prospectus. Applicants are advised to make their independent investigations and ensure that their Application do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Draft Prospectus and the Prospectus.

This section applies to all the Applicants, please note that all the Applicants are required to make payment of the full Application Amount along with the Application Form.

Phased implementation of Unified Payments Interface

SEBI has issued a circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 in relation to streamlining the process of public issue of inter alia, equity shares. Pursuant to the circular, Unified Payments Interface (“UPI”) will be introduced in a phased manner as a payment mechanism in addition to ASBA for applications by Retail Individual Applicants through Syndicate members, Registered Stock Brokers, Registrar to the Issue and Depository Participants. Phase I of this mechanism has become applicable from January 1, 2019.

PART A

FIXED PRICE ISSUE PROCEDURE

The Issue is being made under Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 through a Fixed Price Process.

Applicants are required to submit their Applications to the Application collecting intermediaries i.e. SCSB or Registered Brokers of Stock Exchanges or Registered Registrar to the Issue and Share Transfer Agents (RTAs) or Depository Participants (DPs) registered with SEBI. In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing.

In case of Non-Institutional Applicants and Retail Individual Applicants, the Company would have a right to reject the Applications only on technical grounds.

Investors should note that Equity Shares will be allotted to successful Applicants in dematerialize form only. The Equity Shares on Allotment shall be traded only in the dematerialize segment of the Stock Exchange, as mandated by SEBI.

Investors should note that the Equity Shares will be Allotted to all successful Applicants only in dematerialised form. The Application Forms which do not have the details of the Applicant's depository account, including DP ID, Client ID and PAN and UPI ID (for RII Bidders bidding using the UPI mechanism), shall be treated as incomplete and will be rejected. Applicants will not have the option of being Allotted Equity Shares in physical form.

AVAILABILITY OF PROSPECTUS AND APPLICATION FORMS

The Memorandum containing the salient features of the Prospectus together with the Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, from the Registered Office of the Lead Manager to the Issue, Registrar to the Issue as mentioned in the Application form. The application forms may also be downloaded from the website of BSE i.e. www.bseindia.com. Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Prospectus. All the applicants shall have to apply only through the ASBA process. ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking of funds that are available in the bank account /UPI ID linked bank account details specified in the Application Form used by ASBA applicants. Upon completing and submitting the Application Form for Applicants to the SCSB, the Applicant is deemed to have authorized our Company to make the necessary changes in the Prospectus and the Application Form as would be required for filing the Prospectus with the RoC and as would be required by RoC after such filing, without prior or subsequent notice of such changes to the Applicant. Applicants (other than using RIIs applying using the UPI mechanism) must provide bank account details and authorisation by the ASBA account holder to block funds in their respective ASBA Accounts in the relevant space provided in the Application Form and the Application Form that does not contain such detail are liable to be rejected.

RIIs bidding using the UPI mechanism must provide the UPI ID in the relevant space provided in the Application Form and the Application Form that does not contain the UPI ID are liable to be rejected.

Further, Applicants shall ensure that the Applications are submitted at the Bidding Centres only on Application Forms bearing the stamp of a Designated Intermediary (except in case of electronic Application Forms) and Application Forms not bearing such specified stamp maybe liable for rejection. Applicants must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Application Amount can be blocked by the SCSB or the Sponsor Bank, as applicable, at the time of submitting the Application.

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour of Application Form*
Resident Indians and Eligible NRIs applying on a non-repatriation basis**	White
Non-Residents including Eligible NRIs, FII's, FVCIs etc. applying on a	Blue



Category	Colour of Application Form*
repatriation basis**	

* Excluding electronic Application Form.

** Application forms will also be available on the website of the BSE (www.bseindia.com).

Designated Intermediaries (other than SCSBs) shall submit/deliver the Application Forms (except the Application Form from a RII applying 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.

WHO CAN APPLY?

In addition to the category of Applicants set forth under the sub-section “*Part B - General Information Document for Investing in Public Issues – Category of Investors Eligible to Participate in an Issue*” on page 186 of this Draft Prospectus, any other persons eligible to apply in the Issue under the laws, rules, regulations, guidelines and policies applicable are also eligible to invest in the Equity Shares.

PARTICIPATION BY ASSOCIATES/AFFILIATES OF LEAD MANAGER, PROMOTER, PROMOTER GROUP AND PERSONS RELATED TO PROMOTER/PROMOTER GROUP

The Lead Manager shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the Lead Manager may subscribe to Equity Shares in the Issue, either in the QIB Portion and Non-Institutional Portion where the allotment is on a proportionate basis.

The Promoter, Promoter Group, Lead Manager and any persons related to the Lead Manager (except Mutual Funds sponsored by entities related to the Lead Manager) cannot apply in the Issue.

APPLICATION BY INDIAN PUBLIC INCLUDING ELIGIBLE NRIS APPLYING ON NON-REPATRIATION

Application must be made only in the names of individuals, limited companies or statutory corporations / institutions and not in the names of minors (other than minor having valid depository accounts as per demographic details provided by the depository), foreign nationals, non-residents (except for those applying on non-repatriation), trusts, (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is authorized under its constitution to hold shares and debentures in a company), Hindu Undivided Families (HUF), partnership firms or their nominees. In case of HUFs, application shall be made by the Karta of the HUF.

Eligible NRIs applying on a non-repatriation basis may make payments by inward remittance in foreign exchange through normal banking channels or by debits to NRE / FCNR accounts as well as NRO accounts.

An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public.

APPLICATION BY MUTUAL FUNDS

As per the current regulations, the following restrictions are applicable for investments by mutual funds:

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any Company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any Company's paid up share capital carrying voting rights.

The Applications made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

APPLICATIONS BY ELIGIBLE NRIS/FII'S ON REPATRIATION BASIS

Application Forms have been made available for Eligible NRIs at the Company's Registered Office and at the office of Lead Manager to the Issue.

Eligible NRI applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment. The Eligible NRIs who intend to make payment through Non Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians and should not use the form meant for the reserved category.

Under the Foreign Exchange Management Act, 1999 (FEMA) general permission is granted to companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRI's subject to the terms and conditions stipulated therein. Companies are required to file declaration in the prescribed form to the concerned Regional Office of RBI within 30 days from the date of issue of shares for allotment to NRI's on repatriation basis.

Allotment of Equity Shares to Non Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in Equity Shares will be allowed to be repatriated along with the income thereon subject to permission of the RBI and subject to the Indian Tax Laws and regulations and any other applicable laws.

The Company does not require approvals from FIPB or RBI for the Transfer of Equity Shares in the issue to eligible NRI's, FII's, Foreign Venture Capital Investors registered with SEBI and multilateral and bilateral development financial institutions.

As per the current regulations, the following restrictions are applicable for investments by FPIs:

- 1) Foreign portfolio investor shall invest only in the following securities, namely- (a) Securities in the primary and secondary markets including shares, debentures and warrants of companies, listed or to be listed on a recognized stock exchange in India; (b) Units of schemes floated by domestic mutual funds, whether listed on a recognized stock exchange or not; (c) Units of schemes floated by a collective investment scheme; (d) Derivatives traded on a recognized stock exchange; (e) Treasury bills and dated government securities; (f) Commercial papers issued by an Indian company; (g) Rupee denominated credit enhanced bonds; (h) Security receipts issued by asset reconstruction companies; (i) Perpetual debt instruments and debt capital instruments, as specified by the Reserve Bank of India from time to time; (j) Listed and unlisted non-convertible debentures/bonds issued by an Indian company in the infrastructure sector, where 'infrastructure' is defined in terms of the extant External Commercial Borrowings (ECB) guidelines; (k) Non-convertible debentures or bonds issued by Non-Banking Financial Companies categorized as 'Infrastructure Finance Companies'(IFCs) by the Reserve Bank of India; (l) Rupee denominated bonds or units issued by infrastructure debt funds; (m) Indian depository receipts; and (n) Such other instruments specified by the Board from time to time.
- 2) Where a foreign institutional investor or a sub account, prior to commencement of these regulations, holds equity shares in a company whose shares are not listed on any recognized stock exchange, and continues to hold such shares after initial public offering and listing thereof, such shares shall be subject to lock-in for the same period, if any, as is applicable to shares held by a foreign direct investor placed in similar position, under the policy of the Government of India relating to foreign direct investment for the time being in force.
- 3) In respect of investments in the secondary market, the following additional conditions shall apply:
 - a) A foreign portfolio investor shall transact in the securities in India only on the basis of taking and giving delivery of securities purchased or sold;

- b) Nothing contained in clause (a) shall apply to:
- i) Any transactions in derivatives on a recognized stock exchange;
 - ii) Short selling transactions in accordance with the framework specified by the Board;
 - iii) Any transaction in securities pursuant to an agreement entered into with the merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - iv) Any other transaction specified by the Board.
- c) No transaction on the stock exchange shall be carried forward;
- d) The transaction of business in securities by a foreign portfolio investor shall be only through stock brokers registered by the Board; provided nothing contained in this clause shall apply to:
- i) transactions in Government securities and such other securities falling under the purview of the Reserve Bank of India which shall be carried out in the manner specified by the Reserve Bank of India;
 - ii) sale of securities in response to a letter of offer sent by an acquirer in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - iii) sale of securities in response to an offer made by any promoter or acquirer in accordance with the Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009;
 - iv) Sale of securities, in accordance with the Securities and Exchange Board of India (Buy-back of securities) Regulations, 2018;
 - v) divestment of securities in response to an offer by Indian Companies in accordance with Operative Guidelines for Disinvestment of Shares by Indian Companies in the overseas market through issue of American Depository Receipts or Global Depository Receipts as notified by the Government of India and directions issued by Reserve Bank of India from time to time;
 - vi) Any bid for, or acquisition of, securities in response to an offer for disinvestment of shares made by the Central Government or any State Government;
 - vii) Any transaction in securities pursuant to an agreement entered into with merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - viii) Any other transaction specified by the Board.
- e) A foreign portfolio investor shall hold, deliver or cause to be delivered securities only in dematerialized form:
- Provided that any shares held in non-dematerialized form, before the commencement of these regulations, can be held in non-dematerialized form, if such shares cannot be dematerialized.
- Unless otherwise approved by the Board, securities shall be registered in the name of the foreign portfolio investor as a beneficial owner for the purposes of the Depositories Act, 1996.
- 4) The investment by the foreign portfolio investor shall also be subject to such other conditions and restrictions as may be specified by the Government of India from time to time.

- 5) In cases where the Government of India enters into agreements or treaties with other sovereign Governments and where such agreements or treaties specifically recognize certain entities to be distinct and separate, the Board may, during the validity of such agreements or treaties, recognize them as such, subject to conditions as may be specified by it.
- 6) A foreign portfolio investor may lend or borrow securities in accordance with the framework specified by the Board in this regard.

No foreign portfolio investor may issue, subscribe to or otherwise deal in offshore derivative instruments, directly or indirectly, unless the following conditions are satisfied:

- a) Such offshore derivative instruments are issued only to persons who are regulated by an appropriate foreign regulatory authority;
- b) Such offshore derivative instruments are issued after compliance with 'know your client' norms:

Provided that those unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated shall not issue, subscribe or otherwise deal in offshore derivatives instruments directly or indirectly.

Provided further that no Category III foreign portfolio investor shall issue, subscribe to or otherwise deal in offshore derivatives instruments directly or indirectly.

- 7) A foreign portfolio investor shall ensure that further issue or transfer of any offshore derivative instruments issued by or on behalf of it is made only to persons who are regulated by an appropriate foreign regulatory authority.
- 8) Foreign portfolio investors shall fully disclose to the Board any information concerning the terms of and parties to off-shore derivative instruments such as participatory notes, equity linked notes or any other such instruments, by whatever names they are called, entered into by it relating to any securities listed or proposed to be listed in any stock exchange in India, as and when and in such form as the Board may specify.
- 9) Any offshore derivative instruments issued under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 before commencement of SEBI (Foreign Portfolio Investors) Regulations, 2014 shall be deemed to have been issued under the corresponding provisions of SEBI (Foreign Portfolio Investors) Regulations, 2014.
- 10) A FII or its subaccount which holds a valid certificate of registration shall, subject to payment of conversion fees, be eligible to continue to buy, sell or otherwise deal in securities till the expiry of its registration as a foreign institutional investor or sub-account, or until he obtains a certificate of registration as foreign portfolio investor, whichever is earlier.
- 11) A qualified foreign investor may continue to buy, sell or otherwise deal in securities subject to the provisions of the SEBI (Foreign Portfolio Investors) Regulations, 2014, for a period of one year from the date of commencement of the aforesaid regulations, or until it obtains a certificate of registration as foreign portfolio investor, whichever is earlier.
- 12) The issue of Equity Shares to a single FII should not exceed 10% of our post Issue Paid up Capital of the Company. In respect of an FII investing in Equity Shares of our Company on behalf of its sub accounts, the investment on behalf of each sub account shall not exceed 10% of our total issued capital or 5% of our total issued capital in case such sub account is a foreign corporate or an individual.
- 13) In accordance with the foreign investment limits, the aggregate FII holding in our Company cannot exceed 24% of our total issued capital. However, this limit can be increased to the permitted sectoral cap/statutory limit, as applicable to our Company after obtaining approval of its board of Directors followed by the special resolution to that effect by its shareholders in their General Meeting. As on the date of filing the Prospectus, no such resolution has been recommended to the shareholders of the Company for adoption.

- 14) Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of regulation 15A(1) of the Securities Exchange Board of India (Foreign Institutional Investors) Regulations 1995, as amended, an FII may issue, deal or hold, off shore derivative instruments such as participatory notes, equity linked notes or any other similar instruments against underlying securities listed or proposed to be listed in any stock exchange in India only in favour of those entities which are regulated by any relevant regulatory authorities in the countries of their incorporation or establishment subject to compliance of “Know Your Client” requirements. An FII shall also ensure that no further downstream issue or transfer of any instrument referred to hereinabove is made to any person other than a regulated entity.
- 15) In case of FII's in NRI/FII Portion, number of Equity Shares applied shall not exceed issue size.

APPLICATION BY SEBI REGISTERED ALTERNATIVE INVESTMENT FUND (AIF), VENTURE CAPITAL FUNDS AND FOREIGN VENTURE CAPITAL INVESTORS

The SEBI (Venture Capital) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI. As per the current regulations, the following restrictions are applicable for SEBI registered venture capital funds and foreign venture capital investors:

Accordingly, the holding by any individual venture capital fund registered with SEBI in one Company should not exceed 25% of the corpus of the venture capital fund; a Foreign Venture Capital Investor can invest its entire funds committed for investments into India in one Company. Further, Venture Capital Funds and Foreign Venture Capital investor can invest only up to 33.33% of the funds available for investment by way of subscription to an Initial Public Offer.

The SEBI (Alternative Investment funds) Regulations, 2012 prescribes investment restrictions for various categories of AIF's.

The category I and II AIFs cannot invest more than 25% of the corpus in one investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A Venture capital fund registered as a category I AIF, as defined in the SEBI Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not registered as an AIF under the SEBI Regulations shall continue to be regulated by the VCF Regulations.

APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS

In case of applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing which, the Company reserves the right to reject any application, without assigning any reason thereof.

APPLICATIONS BY INSURANCE COMPANIES

In case of applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, the Company reserves the right to reject any application, without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended (The “IRDA Investment Regulations”), are broadly set forth below:

- a) Equity shares of a Company: the least of 10% of the investee Company’s subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- b) The entire group of the investee Company: the least of 10% of the respective fund in case of a life insurer or general insurer or reinsurer or 10% of investment assets in case of a general insurer or reinsurer (25% in case of Unit Linked Insurance Plans); and

- c) The industry sector in which the investee Company operates: the least of 10% of the insurer's total investment exposure to the industry sector (25% in case of Unit Linked Insurance Plans).

In addition, the IRDA partially amended the exposure limits applicable to investments in public limited companies in infrastructure and housing sectors i.e. December 26, 2008, providing, among other things, that the exposure of an insurer to an infrastructure Company may be increased to not more than 20%, provided that in case of equity investment, a dividend of not less than 4% including bonus should have been declared for at least five preceding years. This limit of 20% would be combined for debt and equity taken together, without sub ceilings.

Further, investments in equity including preference shares and the convertible part of debentures shall not exceed 50% of the exposure norms specified under the IRDA Investment Regulations.

APPLICATION BY PROVIDENT FUNDS / PENSION FUNDS

In case of applications made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 25 Crores, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Application Form. Failing this, the Company reserves the right to reject any application, without assigning any reason thereof.

APPLICATION UNDER POWER OF ATTORNEY

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FPI's, Mutual Funds, insurance companies and provident funds with minimum corpus of ₹ 25 Crores (subject to applicable law) and pension funds with a minimum corpus of ₹ 25 Crores a certified copy of the power of attorney or the relevant Resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged with the Application Form. Failing this, the Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore.

- a) In addition to the above, certain additional documents are required to be submitted by the following entities: With respect to applications by VCFs, FVCIs, FPIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- b) With respect to applications by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged with the Application Form as applicable. Failing this, the Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- c) With respect to applications made by provident funds with minimum corpus of ₹ 25 Crores (subject to applicable law) and pension funds with a minimum corpus of ₹ 25 Crores, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form . Failing this, the Company reserves the right to accept or reject such application, in whole or in part, in either case without assigning any reasons thereof.

The Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form , subject to such terms and conditions that the Company and the lead manager may deem fit.

The Company, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Issue that, for the purpose of printing particulars on the refund order and mailing of the Allotment Advice / CANs / letters notifying the unblocking of the bank accounts of ASBA applicants, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the application). In such cases, the Registrar to the Issue shall use Demographic Details as given on the Application Form instead of those obtained from the Depositories.

The above information is given for the benefit of the Applicants. The Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

PRE-ISSUE ADVERTISEMENT

As provided in Section 30 of the Companies Act, 2013 and 264(2) of the SEBI (ICDR) Regulations, 2018, the Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one widely circulated English national daily newspaper; one widely circulated Hindi national daily newspaper and one widely circulated regional newspaper.

SIGNING OF UNDERWRITING AGREEMENT

The issue is 100% Underwritten. Our Company and the Selling Shareholder has entered into an Underwriting Agreement with the Lead Manager on February 09, 2019.

GENERAL INSTRUCTIONS

Do's:

- Check if you are eligible to apply as per the terms of the Prospectus and under applicable law, rules, regulations, guidelines and approvals;
- Ensure that you have made Application at the Issue Price;
- Read all the instructions carefully and complete the Application Form in the prescribed form;
- Ensure that the details about the PAN, DP ID and Client ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
- Ensure that your Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time;
- If the first applicant is not the bank account holder, ensure that the Application Form is signed by the account holder. Ensure that you have an account with an SCSB and have mentioned the correct bank account number of that SCSB in the Application Form;
- All Applicants should submit their Applications through the ASBA process including through UPI mode (as applicable) only;
- Ensure that the signature of the First Applicant in case of joint Applications, is included in the Application Forms;
- 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 you request for and receive a stamped acknowledgement in the form of a counterfoil or by specifying the application number for all your Application options as proof of registration of the Application Form from the concerned Designated Intermediary;
- Ensure that you have funds equal to the Application Amount in the ASBA Account maintained with the SCSB before submitting the Application Form under the ASBA process to any of the Designated Intermediaries;
- With respect to Applications by SCSBs, ensure that you have a separate account in your own name with any other SCSB having clear demarcated funds for applying under the ASBA process and that such separate account (with any other SCSB) is used as the ASBA Account with respect to your Application;
- Submit revised Applications to the same Designated Intermediary, through whom the original Application was placed and obtain a revised acknowledgment;

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) 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, and (iii) any other category of Applicant, including without limitation, multilateral/ bilateral institutions, which 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;

- Ensure that the Demographic Details are updated, true and correct in all respects;
- 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;
- Ensure that the correct category and the investor status is indicated in the Application Form to ensure proper upload of your Application in the electronic Bidding system of the Stock Exchanges;
- Ensure that in case of Applications under power of attorney or by limited companies, corporates, trust etc., relevant documents, including a copy of the power of attorney, are submitted;
- Ensure that Applications submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
- Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Applications are liable to be rejected. Where the Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Application Form;
- Ensure that while Application through a Designated Intermediary, the Application Form is submitted to a Designated Intermediary in a Bidding Centre and in case of Application through a Designated Intermediary (other than RIIs bidding through the UPI mechanism) 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>), or such other websites as may be updated from time to time;
- Ensure that you have correctly signed the authorisation/undertaking box in the Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form at the time of submission of the Application;
- For RIIs applying using the UPI mechanism, ensure that you approve the Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to application amount and subsequent debit of funds in case of allotment, in a timely manner;
- RIIs shall ensure that details of the applications are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an RII may be deemed to have verified the attachment containing the application details of the RII in the UPI Mandate Request and have agreed to block the entire Application Amount and authorized the Sponsor Bank to block the Application Amount mentioned in the Application Form.
- RIIs applying using the UPI mechanism should mention valid UPI ID of only the Applicant (in case of single account) and of the first Applicant (in case of joint account) in the Application Form.
- RIIs applying using the UPI mechanism, who have revised their Application subsequent to making the initial Application, should also approve the revised Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to the revised Application Amount and subsequent debit of funds in case of allotment in a timely manner.
- Applications by Eligible NRIs and Category III FPIs for a Bid Amount of less than ₹ 200,000 would be considered under the Retail Category for the purposes of allocation and Bids for a Bid Amount exceeding ₹ 200,000 would be considered under the Non-Institutional Category for allocation in the Issue.

The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

- Do not Apply for lower than the minimum Application size;
- Do not Apply/revise Application Amount to less than the Issue Price;
- Do not Apply on another Application Form after you have submitted a Application to a Designated Intermediary;
- Do not pay the Application Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
- Do not send Application Forms by post; instead submit the same to the Designated Intermediary only;
- Do not make applications using third party bank accounts or using third party linked bank account UPI IDs;
- Do not submit the Application Forms to any non-SCSB bank or our Company;
- Do not apply on an Application Form that does not have the stamp of the relevant Designated Intermediary;
- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue size and/ or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Prospectus.
- Do not submit your Application after 3.00 pm on the Issue Closing Date;
- If you are a QIB, do not submit your Application after 3.00 p.m. on the Issue Closing Date;
- Instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
- Do not apply for an Application Amount exceeding ₹ 200,000 (for Application by Retail Individual Investors);
- Do not submit the General Index Register (GIR) number instead of the PAN;
- Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
- Do not submit incorrect UPI ID details if you are a RII applying through the UPI mechanism;
- Do not submit the Application without ensuring that funds equivalent to the entire Application Amount are available for blocking in the relevant ASBA Account;
- Do not submit more than one Application Forms per ASBA Account;
- Do not submit more than one Application Form for each UPI ID in case of RIIs applying through the Designated Intermediaries using the UPI mechanism;
- Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
- Do not submit Bids to a Designated Intermediary at a location other than Specified Locations;
- Do not withdraw your Application or lower the size of your Application (in terms of quantity of the Equity Shares or the Application Amount) at any stage, if you are a QIB or a Non-Institutional Investor;
- Do not submit Application on plain paper or on incomplete or illegible Application Forms or on Application Forms in a colour prescribed for another category of Applicant;
- Do not submit a Application in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
- 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 RII Applicants using the UPI mechanism;
- 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);
- Do not submit ASBA Applications to a Designated Intermediary at a Bidding Centre unless the SCSB where the ASBA Account is maintained, as specified in the Application Form, has named at least one branch in the relevant Bidding Centre, 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>);
- Do not apply if you are a FVCI, OCB, multilateral or bilateral financial institution or an NRI applying on a repatriation basis; and
- Do not submit an Application Form with third party UPI ID (in case of application submitted by RII Applicant using the UPI mechanism).

The Application Form is liable to be rejected if the above instructions, as applicable or any other condition mentioned in this Prospectus, are not complied with.

EQUITY SHARES IN DEMATERIALIZED FORM WITH NSDL OR CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a) Tripartite agreement dated February 01, 2019 with NSDL, our Company and Registrar to the Issue;
- b) Tripartite agreement dated February 11, 2019 with CDSL, our Company and Registrar to the Issue;

The Company's shares bear an ISIN: INE03CM01014

UNDERTAKING BY OUR COMPANY

Our Company undertakes the following:

1. that the complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily;
2. If Allotment is not made, application monies will be refunded/unblocked in the ASBA Accounts within 15 days from the Issue Closing Date 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% per annum for the delayed period;
3. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within 6 (Six) working days of closure of the Issue;
4. that funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by us;
5. Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 15 days from the Issue Closing Date, or such time period as specified by SEBI, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
6. That if our Company do not proceed with the Issue after the Issue Closing Date but prior to Allotment, 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;
7. That if our Company in consultation with the Lead Manager, withdraw the Issue after the Issue Closing Date, our Company shall be required to file a fresh draft offer document, in the event our Company subsequently decides to proceed with the Issue thereafter;
8. That our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time;
9. that the instruction for electronic credit of Equity Shares/ refund orders/intimation about the refund to non - resident Indians shall be completed within specified time; and
10. that no further issue of Equity Shares shall be made till the Equity Shares offered through the Prospectus are listed or till the application monies are refunded/unblocked in the ASBA Account on account of non-listing, under subscription etc.
11. that Company shall not have recourse to the Issue proceeds until the approval for trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
12. Adequate arrangements shall be made to collect all Application forms.

UTILIZATION OF ISSUE PROCEEDS

The Board of Directors certifies that:

1. All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;
2. Details of all monies utilized out of the Issue shall be disclosed and continue to be disclosed till any part of the issue proceeds remains unutilized under an appropriate separate head in the Company's balance sheet indicating the purpose for which such monies have been utilized;
3. Details of all unutilized monies out of the Issue, if any shall be disclosed under an appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested;
4. Our Company shall comply with the requirements of section SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to section 177 of the Company's Act, 2013 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue respectively;
5. Our Company shall not have recourse to utilize the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received

PART B

General Information Document for Investing in Public Issues

This General Information Document highlights certain key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the issue. For taking an investment decision, the Applicants should rely on their own examination of the Issuer and the Issue, and should carefully read the Prospectus before investing in the Issue.

SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 has proposed to introduce an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines in a phased manner. From January 1, 2019, the UPI mechanism for RIIs applying through Designated Intermediaries will be made effective along with the existing process and existing timeline of T+6 days. The same will continue for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase I”). Thereafter, for application by RIIs through Designated Intermediaries, the existing process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds will be discontinued and only the UPI mechanism 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”). Subsequently, the final reduced timeline will be made effective using the UPI mechanism for applications by RIIs (“UPI Phase III”), as may be prescribed by SEBI.

SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken through the Book-Building Process as well as to the Fixed Price Issues. The purpose of the “General Information Document for Investing in Public Issues” is to provide general guidance to potential Applicants in IPOs and FPOs, and on the processes and procedures governing IPOs and FPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“SEBI ICDR Regulations, 2009”).

Applicants should note that investment in equity and equity related securities involves risk and Applicant should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue are set out in the Prospectus filed by the Issuer with the Registrar of Companies (“RoC”). Applicants should carefully read the entire Prospectus and the Bid cum Application Form/Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the Prospectus, the disclosures in the Prospectus shall prevail. The Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the BRLM(s) to the Issue and on the website of Securities and Exchange Board of India (“SEBI”) at www.sebi.gov.in.

For the definitions of capitalized terms and abbreviations used herein Applicants may see “Glossary and Abbreviations”.

SECTION 2: BRIEF INTRODUCTION TO IPOs/FPOs

2.1 Initial Public Offer (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is inter-alia required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer, Applicants may refer to the Prospectus.

2.2 Further Public Offer (FPO)

An FPO means an offer of specified securities by a listed Issuer to the public for subscription and may include Offer for Sale of specified securities to the public by any existing holder of such securities in a listed Issuer.

For undertaking an FPO, the Issuer is inter-alia required to comply with the eligibility requirements in terms of Regulation 26/ Regulation 27 of the SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer, Applicants may refer to the Prospectus.

2.3 Other Eligibility Requirements:

In addition to the eligibility requirements specified in paragraphs 2.1 and 2.2, an Issuer proposing to undertake an IPO or an FPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, to the extent applicable, the SEBI ICDR Regulations 2018, the SEBI LODR Regulations, the Companies Act, 2013, the SCRR, industry-specific regulations, if any, and other applicable laws for the time being in force.

For details in relation to the above Applicants may refer to the Prospectus.

2.4 Types of Public Issues – Fixed Price Issues and Book Built Issues

In accordance with the provisions of the SEBI ICDR Regulations, an Issuer can either determine the Issue Price through the Book Building Process (“Book Built Issue”) or undertake a Fixed Price Issue (“Fixed Price Issue”). An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre- Issue advertisement was given at least two Working Days before the Bid/ Issue Opening Date, in case of an IPO and at least one Working Day before the Bid/ Issue Opening Date, in case of an FPO and determine the Offer Price at a later date before registering the Prospectus with the Registrar of Companies.

The Floor Price or the Issue price cannot be lesser than the face value of the securities.

Applicants should refer to the Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

2.5 ISSUE PERIOD

The Issue may be kept open for a minimum of three Working Days (for all category of Applicants) and not more than ten Working Days. Applicants are advised to refer to the Bid cum Application Form and Abridged Prospectus or Prospectus for details of the Bid/ Issue Period. Details of Bid/ Issue Period are also available on the website of the Stock Exchange(s).

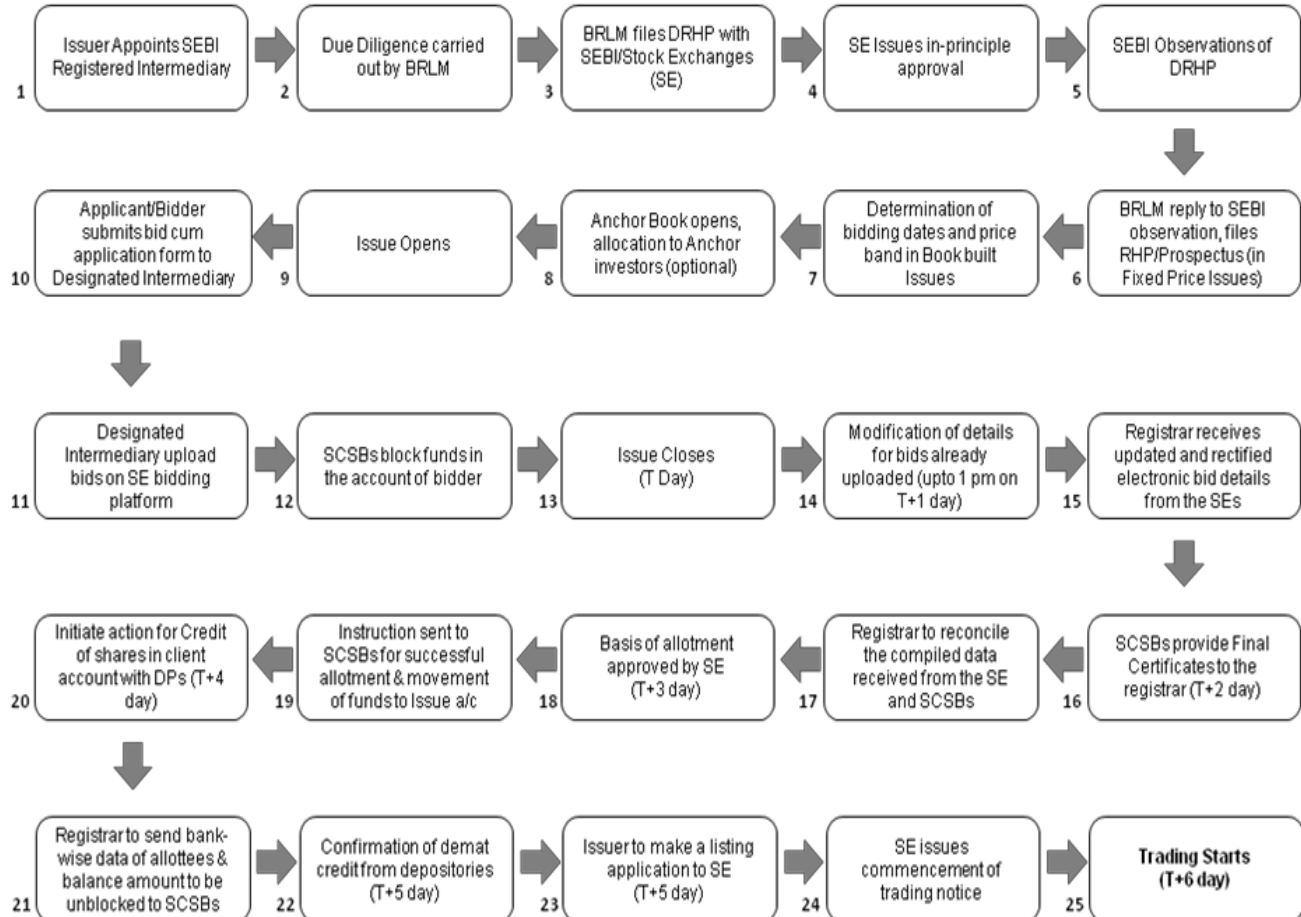
In case of a Book Built Issue, the Issuer may close the Issue Period for QIBs one Working Day prior to the Bid/ Issue Closing Date if disclosures to that effect are made in the Prospectus. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/ Issue Period may be extended by at least three Working Days, subject to the total Bid/ Issue Period not exceeding 10 Working Days. For details of any revision of the Floor Price or Price Band, Applicants may check the announcements made by the Issuer on the websites of the Stock Exchanges and the BRLM(s), and the advertisement in the newspaper(s) issued in this regard.

In case of force majeure, banking strike or similar circumstances, the Issuer may, for reasons to be recorded in writing, extend the Issue period for a minimum period of three working days, subject to the total Issue Period not exceeding 10 Working Days.

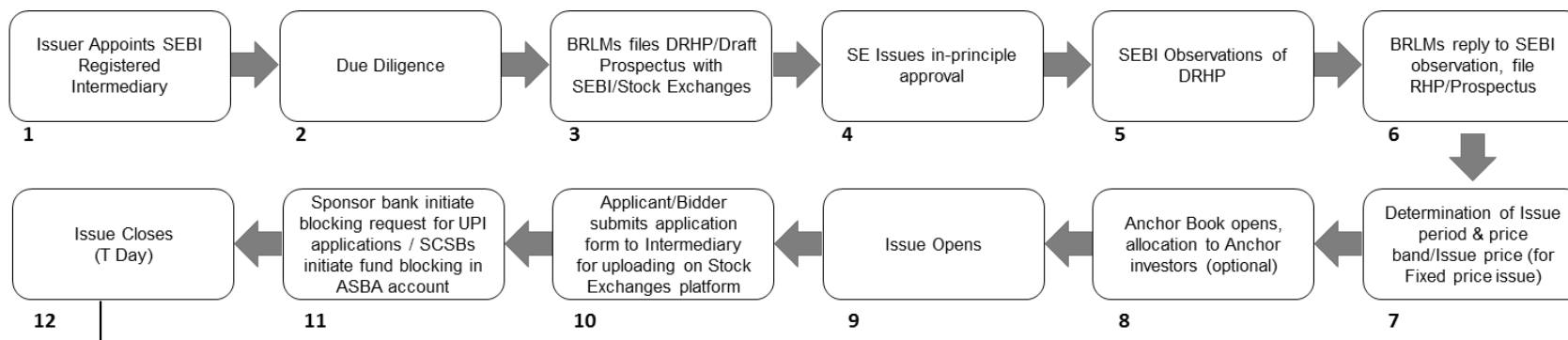
2.6 FLOWCHART OF TIMELINES

A flow chart of process flow in Fixed Price and Book Built Issues is as follows. Applicants may note that this is not applicable for Fast Track FPOs:

In case of Issue other than Book Built Issue (Fixed Price Issue) the process at the following of the below mentioned steps shall be read as:



Flow chart of Timeline for Phase I



S.no	Day	Retail applications with UPI	Retail applications without UPI and QIB/NII applications
13	T+1	<ul style="list-style-type: none"> Sponsor Bank to initiate request for blocking of funds to investor for any balance applications Sponsor Bank may not accept bid details from stock exchange post T+1 	<ul style="list-style-type: none"> Intermediaries to forward a schedule as per requisite format and application forms to SCSBs for blocking of funds Designated branches of SCSBs may not accept schedule and application post T+1
14	T+2	<ul style="list-style-type: none"> Applicant to accept mandate request for blocking of funds prior to cut off-time of 12:00 p.m Sponsor Bank to send Final Certificate to the registrar through stock exchange by end of the day 	<ul style="list-style-type: none"> SCSBs to send Final Certificate to the registrar by end of the day
15	T+2	<ul style="list-style-type: none"> Registrar to reconcile the compiled data received from the stock exchanges, all SCSBs and Sponsor Bank Registrar to undertake "Technical Rejection" 	
16	T+3	<ul style="list-style-type: none"> Approval of Basis of allotment by designated stock exchange Registrar and merchant banker to issue funds transfer instructions to SCSBs and Sponsor Bank 	
17	T+4	<ul style="list-style-type: none"> SCSBs and Sponsor Bank to credit the funds in public issue account of the issuer Registrar / Issuer to initiate corporate action for credit of shares to successful allottees Issuer and registrar to file allotment details with designated stock exchange(s) Registrar to send bank-wise data of allottees, amount due and balance amount to be unblocked to SCSBs / Sponsor Bank. 	
18	T+5	<ul style="list-style-type: none"> Registrar to receive confirmation of demat credit from depositories Issuer to make a listing application to stock exchanges Stock exchanges to issue commencement of trading notice 	
19	T+6	<ul style="list-style-type: none"> Trading commences 	



SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

Each Applicant should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to Bid/Apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.

Subject to the above, an illustrative list of Applicants is as follows:

- Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three);
- Bids/Applications belonging to an account for the benefit of a minor (under guardianship);
- Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals;
- Companies, corporate bodies and societies registered under applicable law in India and authorised to invest in equity shares;
- QIBs;
- NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable law;
- Indian Financial Institutions, regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations, 2009 and other laws, as applicable);
- FPIs other than Category III foreign portfolio investors, Bidding under the QIBs category;
- FPIs which are Category III foreign portfolio investors, Bidding under the NIIs category;
- Trusts/societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares;
- National Investment Fund set up by resolution no. F. No. 2/3/2005-DD-II dated November 23, 2005 of the GoI published in the Gazette of India;
- Limited liability partnerships registered under the Limited Liability Partnership Act, 2008; and
- Any other person eligible to Bid/Apply in the Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws.
- As per the existing regulations, OCBs are not allowed to participate in an Issue.

SECTION 4: APPLYING IN THE ISSUE

Book Built Issue: Bidders should only use the specified Bid cum Application Form bearing stamp of a Designated Intermediary as available or downloaded from the websites of the Stock Exchanges. Bid cum Application Forms are available with the Book Running Lead Manager, the Designated Intermediaries at the Bidding Centres and at the registered office of the Issuer. Electronic Bid cum Application Forms will be available on the websites of the Stock Exchanges at least one day prior to the Bid/ Issue Opening Date. For further details, regarding availability of Bid cum Application Forms, Bidders may refer to the Prospectus and advertisements in the newspaper(s).



Fixed Price Issue: Applicants should only use the specified Application Form bearing stamp of Designated Intermediary as available or downloaded from the websites of the Stock Exchanges. Application Forms will also be available with the Designated Branches of the SCSBs and at the Registered Office of the Issuer.

Applicants should ensure that they apply in the appropriate category. The prescribed color of the Bid cum Application Form for various categories of Applicants is as follows:

Category	Colour ⁽¹⁾
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

⁽¹⁾ excluding electronic Application Form

Securities issued in an IPO can only be in dematerialized form in accordance with Section 29 of the Companies Act, 2013. Applicants will not have the option of getting the Allotment of specified securities in physical form.

4.1 INSTRUCTIONS FOR FILLING THE BID CUM APPLICATION FORM/APPLICATION FORM

Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the Prospectus and the Bid cum Application Form/Application Form are liable to be rejected.

Instructions to fill each field of the Bid cum Application Form can be found on the reverse side of the Bid cum Application Form.

A sample Application Form for resident Applicants and the Application Form for non-resident Applicants are reproduced below:



Application Form – For Resident

TEAR HERE

PLEASE FILL IN BLOCK LETTERS

TEAR HERE

COMMON BID CUM APPLICATION FORM	XYZ LIMITED - INITIAL PUBLIC OFFER - R <small>Registered Office: Corporate Office: Contact Person: Fax: Tel: E-mail: Website: Corporate Identity Number:</small>	FOR RESIDENT INDIAN INVESTORS, INCLUDING RESIDENT QIBs, NON-INSTITUTIONAL BIDDERS, RETAIL INDIVIDUAL BIDDERS AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS
--	--	--

LOGO To, The Board of Directors XYZ LIMITED	100% BOOK BUILT OFFER ISIN : XXXXXXXXXX	Bid cum Application Form No.
---	--	-------------------------------------

SYNDICATE MEMBER'S STAMP & CODE	REGISTERED BROKER/SCSB/CDP/RTA STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER
		Mr./Ms./M/s. _____
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	SCSB BRANCH STAMP & CODE	Address _____
		_____ Email _____
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.	Tel. No. (with STD code) / Mobile _____
		2. PAN OF SOLE / FIRST BIDDER _____

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL	6. INVESTOR STATUS
For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID	<input type="checkbox"/> Individual(s) - IND <input type="checkbox"/> Hindu Undivided Family - HUF* <input type="checkbox"/> Bodies Corporate - CO <input type="checkbox"/> Systemically Important NBFCs <input type="checkbox"/> Banks & Financial Institutions - FI <input type="checkbox"/> Mutual Funds - MF <input type="checkbox"/> National Investment Fund - NIF <input type="checkbox"/> Insurance Companies - IC <input type="checkbox"/> Insurance Funds <input type="checkbox"/> Venture Capital Funds (VCF) <input type="checkbox"/> Alternative Investment Fund - AIF <input type="checkbox"/> Other QIBs - OTH (Non repatriation basis) <input type="checkbox"/> Non Resident Indian - NRI (Non repatriation basis) <input type="checkbox"/> All entities other than QIBs, Bodies Corporates and Individuals - NOH

4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")										5. CATEGORY		
Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)								Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures only)			"Cut-off" (Place ✓ tick)
	8	7	6	5	4	3	2	1	Bid Price	Retail Discount	Net Price	
Option 1												<input type="checkbox"/>
(OR) Option 2												<input type="checkbox"/>
(OR) Option 3												<input type="checkbox"/>

7. PAYMENT DETAILS [IN CAPITAL LETTERS]		PAYMENT OPTION : <input type="checkbox"/> FULL PAYMENT <input type="checkbox"/> PART PAYMENT
Amount blocked (₹ in figures) _____	(₹ in words) _____	
ASBA Bank A/c No. _____	Bank Name & Branch _____	
OR	UPI Id (Maximum 45 characters) _____	

I/WE (ON BEHALF OF JOINT BIDDERS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE "BIDDER'S UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT BIDDERS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.

8A. SIGNATURE OF SOLE/ FIRST BIDDER	8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)	SYNDICATE MEMBER / REGISTERED BROKER / SCSB / CDP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
	I/We authorise the SCSB to do all acts as are necessary to make the application in the Offer.	
Date : _____, 2018	1) _____ 2) _____ 3) _____	

TEAR HERE

LOGO	XYZ LIMITED	Acknowledgement Slip for Syndicate Member/Registered Broker/SCSB/CDP/RTA	Bid cum Application Form No.
INITIAL PUBLIC OFFER - R			

DPID	CLID	PAN of Sole / First Bidder
Amount blocked (₹ in figures)	ASBA Bank A/c No./UPI Id	Stamp & Signature of SCSB Branch
Bank Name & Branch		
Received from Mr./Ms./M/s.		
Telephone / Mobile	Email	

TEAR HERE

XYZ LIMITED - INITIAL PUBLIC OFFER - R	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th>Option 1</th><th>Option 2</th><th>Option 3</th></tr> <tr> <td>No. of Equity Shares</td><td> </td><td> </td></tr> <tr> <td>Bid Price</td><td> </td><td> </td></tr> <tr> <td>Amount Blocked (₹)</td><td> </td><td> </td></tr> </table>	Option 1	Option 2	Option 3	No. of Equity Shares			Bid Price			Amount Blocked (₹)			Stamp & Signature of Syndicate Member / Registered Broker / SCSB / CDP / RTA	Name of Sole / First Bidder _____ _____
Option 1	Option 2	Option 3													
No. of Equity Shares															
Bid Price															
Amount Blocked (₹)															
ASBA Bank A/c No./UPI Id	Bank Name & Branch	Acknowledgement Slip for Bidder													
		Bid cum Application Form No.													

Important Note : Application made using third party UPI Id Or ASBA Bank A/c are liable to be rejected.

XYZ LIMITED



Application Form – For Non Resident

TEAR HERE

PLEASE FILL IN BLOCK LETTERS

TEAR HERE

COMMON BID CUM APPLICATION FORM	XYZ LIMITED - INITIAL PUBLIC OFFER - NR	FOR NON-RESIDENTS, INCLUDING ELIGIBLE NRIs, FVCI, FPI AND REGISTERED BILATERAL AND MULTI LATERAL DEVELOPMENT FINANCIAL INSTITUTIONS APPLYING ON A REPATRIATION BASIS
	Registered Office: Tel: Fax: Corporate Office: Tel: Fax: Contact Person: E-mail: Website: Corporate Identity Number:	

LOGO **To, The Board of Directors XYZ LIMITED** **100% BOOK BUILT OFFER ISIN : XXXXXXXXXX** **Bid cum Application Form No.**

SYNDICATE MEMBER'S STAMP & CODE	REGISTERED BROKER/SCSB/CDP/RTA STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER Mr./Ms./M/s. _____ Address _____ _____ Email _____ Tel. No. (with STD code) / Mobile _____
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	SCSB BRANCH STAMP & CODE	
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.	

2. PAN OF SOLE / FIRST BIDDER _____

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS NSDL CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures only)			"Cut-off" (Please ✓ tick)	5. CATEGORY <input type="checkbox"/> Retail Individual Bidder <input type="checkbox"/> Non-Institutional Bidder <input type="checkbox"/> QIB	6. INVESTOR STATUS <input type="checkbox"/> NRI Non-Resident Indian(s) (Repatriation basis) <input type="checkbox"/> FVCI Foreign Venture Capital Investor <input type="checkbox"/> FPI Foreign Portfolio Investor <input type="checkbox"/> RBMI Registered Bilateral and Multi Lateral Development Financial Institutions <input type="checkbox"/> OTH Others (Please Specify)
		Bid Price	Retail Discount	Net Price			
Option 1	8 7 6 5 4 3 2 1	3 2 1	1 2 1	1 2 1	<input type="checkbox"/>		
(OR) Option 2					<input type="checkbox"/>		
(OR) Option 3					<input type="checkbox"/>		

7. PAYMENT DETAILS [IN CAPITAL LETTERS] PAYMENT OPTION: FULL PAYMENT PART PAYMENT

Amount blocked (₹ in figures) _____ (₹ in words) _____

ASBA Bank A/c No. _____
Bank Name & Branch _____
or
UPI (Maximum 45 characters) _____

I/WE (ON BEHALF OF JOINT BIDDERS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABREGEED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE 'BIDDER'S UNDERTAKING' AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT BIDDERS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.

8A. SIGNATURE OF SOLE / FIRST BIDDER	8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) 1/We authorise the SCSB to do all acts as are necessary to make the application in the Offer. 1) _____ 2) _____ 3) _____	SYNDICATE MEMBER / REGISTERED BROKER / SCSB / CDP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
--------------------------------------	--	---

Date : _____, 2018

TEAR HERE

LOGO **XYZ LIMITED** **Initial Public Offer - NR** **Acknowledgement Slip for Syndicate Member/Registered Broker/SCSB/CDP/RTA** **Bid cum Application Form No.**

PAN of Sole / First Bidder _____

DPID _____ CLID _____

Amount blocked (₹ in figures) _____ ASBA Bank A/c No./UPI _____
Bank Name & Branch _____ Stamp & Signature of SCSB Branch _____

Received from Mr./Ms./M/s. _____
Telephone / Mobile _____ Email _____

TEAR HERE

XYZ LIMITED - INITIAL PUBLIC OFFER - NR	Option 1	Option 2	Option 3	Stamp & Signature of Syndicate Member / Registered Broker / SCSB / CDP / RTA	Name of Sole / First Bidder _____
	No. of Equity Shares				
	Bid Price				
	Amount Blocked (₹)				
	ASBA Bank A/c No./UPI _____ Bank Name & Branch _____				Acknowledgement Slip for Bidder
					Bid cum Application Form No. _____

Important Note : Application made using third party UPI Or ASBA Bank A/c are liable to be rejected.

XYZ LIMITED



Specific instructions for filling various fields of the Resident Application Form and Non-Resident Application Form and samples are provided below.

4.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE / FIRST BIDDER / APPLICANT

- a) Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.
- b) **Mandatory Fields:** Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/mobile number fields are optional. Applicants should note that the contact details mentioned in the Bid cum Application Form/Application Form may be used to dispatch communications (including letters notifying the unblocking of the bank accounts of Applicants) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Bid cum Application Form may be used by the Issuer, the Designated Intermediaries and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.
- c) **Joint Bids/Applications:** In the case of Joint Applications, the Applications should be made in the name of the Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Applicant would be required in the Bid cum Application Form/Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders. All communications may be addressed to such Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.
- d) **Impersonation:** Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who:

- makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

- e) **Nomination Facility to Applicant:** Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of Allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Applicants should inform their respective DP.

4.1.2 FIELD NUMBER 2: PAN NUMBER OF SOLE/FIRST APPLICANT

- a) PAN (of the sole/first Applicant) provided in the Bid cum Application Form/Application Form should be exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held as per the Depositories' records.

- b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Bids/Applications on behalf of the Central or State Government, Bids/Applications by officials appointed by the courts and Bids/Applications by Applicants residing in Sikkim (“PAN Exempted Applicants”). Consequently, all Applicants, other than the PAN Exempted Applicants, are required to disclose their PAN in the Bid cum Application Form/Application Form, irrespective of the Bid/Application Amount. A Bid cum Application Form/Application Form without PAN, except in case of PAN Exempted Bidders/Applicants, is liable to be rejected. Bids/Applications by the Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.
- c) The exemption for the PAN Exempted Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.
- d) Bid cum Application Forms which provide the General Index Register Number instead of PAN may be rejected.
- e) Applications by Applicants whose demat accounts have been ‘suspended for credit’ are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as “Inactive demat accounts” and Demographic Details are not provided by depositories

4.1.3 FIELD NUMBER 3: APPLICANTS DEPOSITORY ACCOUNT DETAILS

- a) Applicants should ensure that DP ID and the Client ID are correctly filled in the Bid cum Application Form/Application Form. The DP ID and Client ID provided in the Bid cum Application Form/Application Form should match with the DP ID and Client ID available in the Depository database, otherwise, the Bid cum Application Form/Application Form is liable to be rejected.
- b) Applicants should ensure that the beneficiary account provided in the Bid cum Application Form/Application Form is active.
- c) Applicants should note that on the basis of the PAN, DP ID and Client ID as provided in the Bid cum Application Form/Application Form, the Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for unblocking of ASBA Account or for other correspondence(s) related to an Issue.
- d) Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Applicants’ sole risk.

4.1.4 FIELD NUMBER 4: BID OPTIONS

- a) Price or Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) may be disclosed in the Prospectus by the Issuer. The Issuer is required to announce the Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) by way of an advertisement in at least one English, one Hindi and one regional newspaper, with wide circulation at the place where the Issuer’s registered office is situated, at least two Working Days before Bid/ Issue Opening Date in case of an IPO, and at least one Working Day before Bid/ Issue Opening Date in case of an FPO.
- b) The Bidders may Bid at or above Floor Price or within the Price Band for IPOs/FPOs undertaken through the Book Building Process. In the case of Alternate Book Building Process for an FPO, the Bidders may Bid at Floor Price or any price above the Floor Price (For further details Bidders may refer to (Section 5.6 (e))
- c) Cut-Off Price: Retail Individual Investors or Employees or Retail Individual Shareholders can Bid at the Cut-off Price indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at

the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs are liable to be rejected.

- d) Minimum Application Value and Bid Lot: The Issuer in consultation with the BRLMs may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹ 1,00,000 to ₹ 2,00,000. The minimum Bid Lot is accordingly determined by an Issuer on basis of such minimum application value.
- e) Allotment: The Allotment of specified securities to each RII shall not be less than the minimum Bid Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be Allotted on a proportionate basis. For details of the minimum Bid Lot, Bidders may refer to the Prospectus or the advertisement regarding the Price Band published by the Issuer.

4.1.4.1 MAXIMUM AND MINIMUM BID SIZE

- a) The Bidder may Bid for the desired number of Equity Shares at a specific price. Bids by Retail Individual Investors, Employees and Retail Individual Shareholders must be for such number of shares so as to ensure that the Bid Amount less Discount (as applicable), payable by the Bidder does not exceed ₹2,00,000.
- b) In case the Bid Amount exceeds ₹ 2,00,000 due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Category (with it not being eligible for Discount), then such Bid may be rejected if it is at the Cut-off Price.
- c) For NRIs, a Bid Amount of up to ₹ 2,00,000 may be considered under the Retail Category for the purposes of allocation and a Bid Amount exceeding ₹ 2,00,000 may be considered under the Non-Institutional Category for the purposes of allocation.
- d) Bids by QIBs and NIIs must be for such minimum number of shares such that the Bid Amount exceeds ₹ 2,00,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form and the Prospectus, or as advertised by the Issuer, as the case may be. Non-Institutional Investors and QIBs are not allowed to Bid at Cut off Price.
- e) RII may revise or withdraw their bids until Bid/ Issue Closing Date. QIBs and NII's cannot withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after Bidding and are required to pay the Bid Amount upon submission of the Bid.
- f) In case the Bid Amount reduces to ₹ 2,00,000 or less due to a revision of the Price Band, Bids by the Non-Institutional Investors who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.
- g) For Anchor Investors, if applicable, the Bid Amount shall be least ₹ 10 crores. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. Bids by various schemes of a Mutual Fund shall be aggregated to determine the Bid Amount. A Bid cannot be submitted for more than 60% of the QIB Category under the Anchor Investor Portion. Anchor Investors cannot withdraw their Bids or lower the size of their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the Anchor Investor Bid/ Issue Period and are required to pay the Bid Amount at the time of submission of the Bid. In case the Anchor Investor Issue Price is lower than the Issue Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Issue Price is lower than the Anchor Investor Issue Price, the amount in excess of the Issue Price paid by the Anchor Investors shall not be refunded to them.
- h) A Bid cannot be submitted for more than the Issue size.
- i) The maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under the applicable laws.

- j) The price and quantity options submitted by the Bidder in the Bid cum Application Form may be treated as optional bids from the Bidder and may not be cumulated. After determination of the Issue Price, the number of Equity Shares Bid for by a Bidder at or above the Issue Price may be considered for Allotment and the rest of the Bid(s), irrespective of the Bid Amount may automatically become invalid. This is not applicable in case of FPOs undertaken through Alternate Book Building Process (For details of Bidders may refer to (Section 5.6 (e))

4.1.4.2 MULTIPLE BIDS

- a) Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of three Bids at different price levels in the Bid cum Application Form and such options are not considered as multiple Bids.

Submission of a second Bid cum Application Form to either the same or to another Designated Intermediary and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

- b) Bidders are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple Bids:

1) All Bids may be checked for common PAN as per the records of the Depository. For Bidders other than Mutual Funds, Bids bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected.

2) For Bids from Mutual Funds, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Bidders, the Bid cum Application Forms may be checked for common DP ID and Client ID. Such Bids which have the same DP ID and Client ID may be treated as multiple Bids and are liable to be rejected.

- c) The following Bids may not be treated as multiple Bids:

1) Bids by Reserved Categories Bidding in their respective Reservation Portion as well as bids made by them in the Net Offer portion in public category.

2) Separate Bids by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Bids clearly indicate the scheme for which the Bid has been made.

3) Bids by Mutual Funds, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

4) Bids by Anchor Investors under the Anchor Investor Portion and the QIB Category.

4.1.5 FIELD NUMBER 5: CATEGORY OF BIDDERS

- a) The categories of Bidders identified as per the SEBI ICDR Regulations, for the purpose of Bidding, allocation and Allotment in the Issue are RIIs, NIIs and QIBs.

- b) Up to 60% of the QIB Category can be allocated by the Issuer, on a discretionary basis subject to the criteria of minimum and maximum number of Anchor Investors based on allocation size, to the Anchor Investors, in accordance with SEBI ICDR Regulations, with one-third of the Anchor Investor Portion reserved for domestic Mutual Funds subject to valid Bids being received at or above the Issue Price. For details regarding allocation to Anchor Investors, Bidders may refer to the Prospectus.

- c) An Issuer can make reservation for certain categories of Applicants as permitted under the SEBI ICDR Regulations. For details of any reservations made in the Issue, Applicants may refer to the Prospectus.



-
- d) The SEBI ICDR Regulations, specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation Applicant may refer to the Prospectus.

4.1.6 FIELD NUMBER 6: INVESTOR STATUS

- a) Each Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective Allotment to it in the Issue is in compliance with the investment restrictions under applicable law.
- b) Certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to Bid/Apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.
- c) Applicants should check whether they are eligible to apply on non -repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Bid cum Application Form and Non-Resident Bid cum Application Form.
- d) Applicants should ensure that their investor status is updated in the Depository records.

4.1.7 FIELD NUMBER 7: PAYMENT DETAILS

- a) Applicants are required to enter either the ASBA Bank account details or the UPI ID in this field. In case the Applicants doesn't provide any of the ASBA Bank account details or the UPI ID then the application would be rejected. For application submitted to Designated Intermediaries (other than SCSBs), Applicants providing both, the ASBA Bank account details as well as the UPI ID, the UPI ID will be considered for processing of the application.
- b) The full Bid Amount (net of any Discount, as applicable) shall be blocked based on the authorisation provided in the Bid cum Application Form. If the Discount is applicable in the Issue, the RIIs should indicate the full Bid Amount in the Bid cum Application Form and the funds shall be blocked for Bid Amount net of Discount. Only in cases where the Prospectus indicates that part payment may be made, such an option can be exercised by the Bidder. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less Discount offered, if any.
- c) RIIs applying at Cut-off Price shall deposit the Application Amount based on the Issue Price.
- d) RIIs submitting their applications through Designated Intermediaries (other than the SCSBs) can participate in the Issue through UPI mechanism, through their UPI ID linked with their bank account.
- e) All QIB and NII Bidders (except Anchor Investors) can participate in the Issue only through the ASBA mechanism.
- f) Bid Amount cannot be paid in cash, cheque, demand draft, through money order or through postal order.

4.1.7.1 Instructions for Anchor Investors:

- a) Anchor Investors may submit their Bids with a Book Running Lead Manager.
- b) Payments should be made either by direct credit, RTGS, NACH or NEFT.
- c) The Anchor Escrow Bank(s) shall maintain the monies in the Anchor Escrow Account for and on behalf of the Anchor Investors until the Designated Date.

4.1.7.2 Payment instructions for Bidders (other than Anchor Investors)

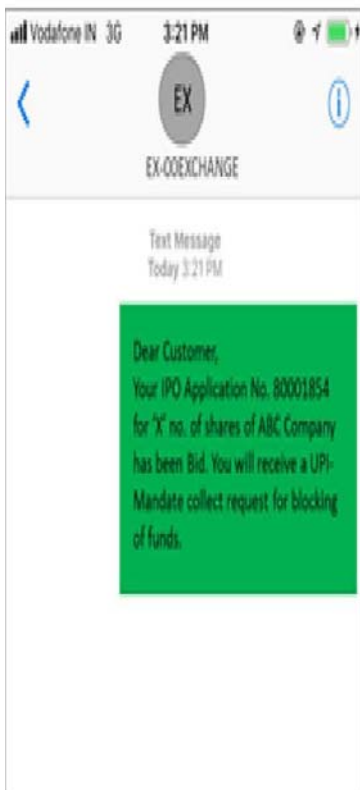
- a) RIIs bidding through Designated Intermediaries should note that with the introduction of UPI as a payment mechanism, there are four channels of making applications in public issues available to them in UPI Phase I (i.e. from January 1, 2019 for a period of three months or floating of five main board public issues, whichever is later). The four channels for making applications in public issues available to RIIs bidding through Designated Intermediaries are as follows:

Channel I	Channel II	Channel III	Channel IV
<p>RIIs may submit the Bid cum Application Form with ASBA as the sole mechanism for making payment either physically (at the branch of the SCSB) or online.</p> <p>For such applications the existing process of uploading the bid and blocking of funds in the RIIs account by the SCSB would continue.</p>	<p>RIIs may submit the Bid cum Application Form online using the facility of linked online trading, demat and bank account (3-in-1 type accounts) provided by Registered Brokers.</p>	<p>RIIs may submit the Bid cum Application Form with any of the Designated Intermediaries, along with details of his/her ASBA Account for blocking of funds.</p> <p>For such applications the Designated Intermediary will upload the bid in the stock exchange bidding platform and forward the application form to Designated Branch of the concerned SCSB for blocking of funds.</p>	<p>RIIs may submit the Bid cum Application Form with any of the Designated Intermediaries (other than SCSBs) and use his/her UPI ID for the purpose of blocking of funds.</p>

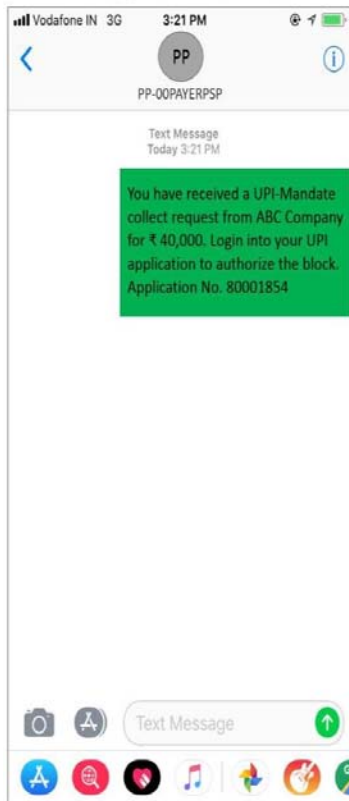
For UPI Phase II and UPI Phase III, RIIs will have the option to use only Channel I, Channel II and Channel IV (as described above) for making applications in a public issue.

Please see below a graphical illustrative process of the investor receiving and approving the UPI Mandate Request.

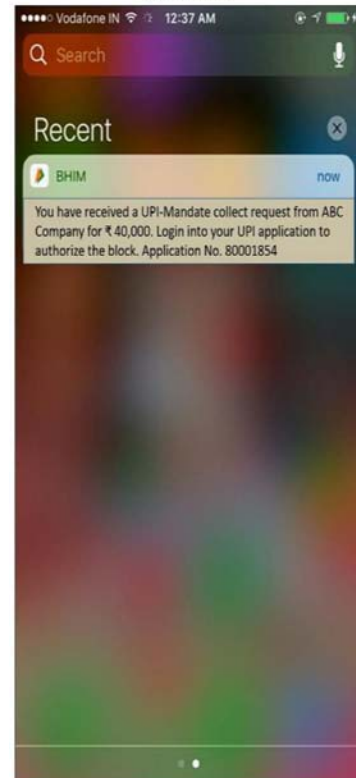
Illustrative SMS



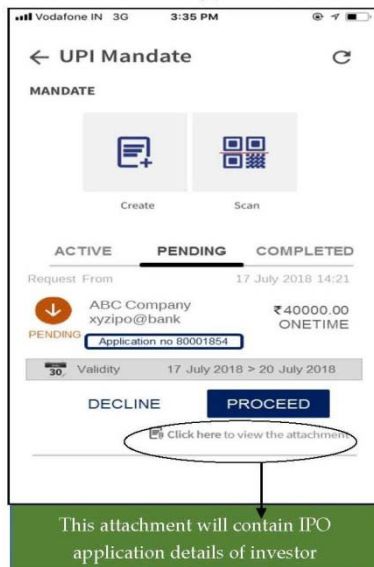
Block request SMS to investor



Block request intimation through UPI application



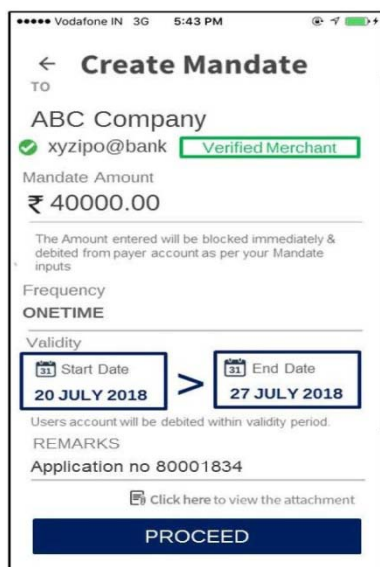
1. Investor UPI application screen



2. Sample of IPO details in attachment

Investor Details		
Depository Name	DP ID	Client ID
NSDL	IND00513	14871468
Beneficiary No.	FIN Card	Investor's Name
-	AAHF7381P	SHYAM SHARMA
IPO Details		
Company Name	IPO Symbol	Bid Lot
IPO	SUPREMEENG	40000
Face Value	Maximum Price	Minimum Price
10.00	₹ 32.00	₹ 27.00
Cut Off Price	IPO Start Date	IPO End Date
₹ 32.00	20 July 2018	27 July 2018
Discount Amount	Discount Category	
NA	-	

3. Post verification of details above



Create Mandate

TO

ABC Company
 xyzipo@bank **Verified Merchant**

Mandate Amount
 ₹ 40000.00

The Amount entered will be blocked immediately & debited from payer account as per your Mandate inputs

Frequency
ONETIME

Validity

Start Date: 20 JULY 2018 > End Date: 27 JULY 2018

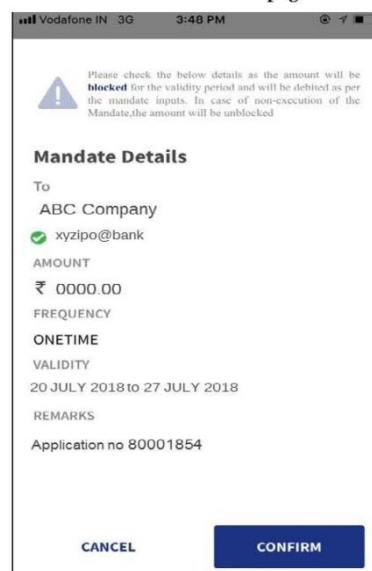
Users account will be debited within validity period.

REMARKS
 Application no 80001834

[Click here to view the attachment](#)

PROCEED

4. Pre-confirmation page



Please check the below details as the amount will be **blocked** for the validity period and will be debited as per the mandate inputs. In case of non-execution of the Mandate, the amount will be unblocked

Mandate Details

To
 ABC Company
 xyzipo@bank

AMOUNT
 ₹ 0000.00

FREQUENCY
 ONETIME

VALIDITY
 20 JULY 2018 to 27 JULY 2018

REMARKS
 Application no 80001854

CANCEL **CONFIRM**

b) QIB and NII Bidders may submit the Bid cum Application Form either

To SCSBs in physical or:

- 1) electronic mode through the internet banking facility offered by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the Bid cum Application Form, or
- 2) in physical mode to any Designated Intermediary.
- c) Bidders must specify the Bank Account number, or the UPI ID, as applicable, in the Bid cum Application Form. The Bid cum Application Form submitted by a Bidder and which is accompanied by cash, demand draft, cheque, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account, may not be accepted.
- d) Bidders should note that application made using third party UPI ID or ASBA Bank Account are liable to be rejected;
- e) Bidders shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the ASBA account.
- f) Bidders should submit Bid cum Application Form only at the Bidding Centers, i.e. to the respective member of the Syndicate at the Specified Locations. The SCSBs, the Registered Broker, at the Broker Centres, the RTA at the Designated CRTA Locations or CDP at the Designated CDP Locations.
- g) Bidders bidding through Designated Intermediaries other than a SCSB, should note that ASBA Application Forms submitted to such Designated Intermediary may not be accepted, if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for such Designated Intermediary, to deposit ASBA Forms.
- h) Bidders bidding directly through the SCSBs should ensure that the Bid cum Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.

-
- i) Upon receipt of the Bid cum Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form.
 - j) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and for application directly submitted to SCSB by investor, may enter each Bid option into the electronic bidding system as a separate Bid.
 - k) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Bids on the Stock Exchange platform and such bids are liable to be rejected.
 - l) Upon submission of a completed Bid cum Application Form each Bidder (not being a RII who has opted for the UPI mechanism and provided a UPI ID with the Bid cum Application Form) may be deemed to have agreed to block the entire Bid Amount and authorized the Designated Branch of the SCSB to block the Bid Amount specified in the Bid cum Application Form in the ASBA Account maintained with the SCSBs. For details regarding blocking of Bid Amount for RIIs who have provided a UPI ID with the Application Form please refer to paragraph 4.1.7.4.
 - m) The Bid Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Bid, as the case may be.
 - n) SCSBs bidding in the Issue must apply through an Account maintained with any other SCSB; else their Bids are liable to be rejected.

4.1.7.3 Unblocking of ASBA Account

- a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB or the Sponsor Bank, as the case may be, along with instructions to unblock the relevant ASBA accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Bid, (ii) the amount to be transferred from the relevant ASBA account to the Public Issue Account, for each Bid, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, (iv) the amount to be unblocked, if any in case of partial allotments and (v) details of rejected ASBA Bids, if any, along with reasons for rejection and details of withdrawn or unsuccessful Bids, if any, to enable the SCSBs or the Sponsor Bank, as the case may be, to unblock the respective ASBA accounts.
- b) On the basis of instructions from the Registrar to the Issue, the SCSBs or the Sponsor Bank, as the case may be may transfer the requisite amount against each successful Bidder to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.
- c) In the event of withdrawal or rejection of the Bid cum Application Form and for unsuccessful Bids, the Registrar to the Issue may give instructions to the SCSB or to the Sponsor Bank to revoke the mandate and, as the case may be, to unblock the Bid Amount in the relevant Account within four Working Days of the Bid/ Issue Closing Date.

4.1.7.4. Additional Payment Instructions for RIIs bidding through Designated Intermediaries (other than SCSBs) using the UPI mechanism

- a) Before submission of the application form with the Designated Intermediary (other than SCSBs), an RII shall download the mobile application, associated with the UPI ID linked bank account, for UPI and create a UPI ID (xyz@bankname) of not more than 45 characters with its bank and link it to his/ her bank account where the funds equivalent to the application amount is available.

-
- b) RIIs shall ensure that the bank, with which it has its bank account, where the funds equivalent to the application amount is available for blocking has been notified as Issuer Banks for UPI. A list of such banks is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>.
 - c) RIIs shall mention his / her UPI ID along with the bid details in the Bid cum Application Form in capital letters and submit the Bid cum Application Form to any of the Designated Intermediaries (other than SCSBs). It is clarified that if an RII submits a third party UPI ID instead of his/her own UPI ID in the Bid cum Application Form, the application is liable to be rejected.
 - d) The Designated Intermediary (other than SCSB) upon receipt of the Bid cum Application Form will upload the bid details along with UPI ID in the stock exchange bidding platform.
 - e) Once the bid has been entered into the Stock Exchange bidding platform, the stock exchange will validate the PAN and Demat Account details of the RII with the Depository. The Depository will validate the aforesaid details on a real time basis and send a response to the stock exchange which will be shared by the stock exchange with the respective Designated Intermediary through its bidding platform, for corrections, if any.
 - f) Once the bid details have been validated by the Depository, the stock exchange will, on a continuous basis, electronically share the bid details along with the UPI ID of the concerned RII with the Sponsor Bank appointed by the Issuer.
 - g) The Sponsor Bank will validate the UPI ID of the RII before initiating the Mandate request.
 - h) The Sponsor Bank after validating the UPI ID will initiate a UPI Mandate Request for valid UPI ID on the RII which will be electronically received by the RII as an SMS / intimation on his / her mobile number / mobile app associated with the UPI ID linked account. The RII shall ensure that the details of the Bid are correct by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an RII may be deemed to have verified the attachment containing the application details of the RII in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Bid Cum Application Form and subsequent debit in case of allotment.
 - i) Upon successful validation of the block request by the RII, the said information would be electronically received by the RII's bank, where the funds, equivalent to the application amount would get blocked in the ASBA Account of the RII. Intimation regarding confirmation of such blocking of funds in the ASBA Account of the RII would also be received by the RII. Information on the block status request would be shared with the Sponsor Bank which in turn would share it with the stock exchange which in turn would share it with the Registrar in the form of a file for the purpose of reconciliation and display it on the stock exchange bidding platform for the information of the Designated Intermediary.
 - j) RIIs may continue to modify or withdraw the Bid till the closure of the Bidding Period. For each modification of the Bid, the RII will submit a revised Bid and will receive a UPI Mandate Request from the Sponsor Bank to be validated as per the process indicated above.
 - k) Post closure of the Offer, the stock exchange will share the Bid details with the Registrar along with the final file received from the Sponsor Bank containing status of blocked funds or otherwise, along with the ASBA Account details with respect to applications made by RIIs using UPI ID.

4.1.7.5 Discount (if applicable)

- a) The Discount is stated in absolute rupee terms.
- b) Bidders applying under RII category, Retail Individual Shareholder and employees are only eligible for discount. For Discounts offered in the Issue, Bidders may refer to the Prospectus.



-
- c) The Bidders entitled to the applicable Discount in the Issue may block their ASBA Account for an amount i.e. the Bid Amount less Discount (if applicable).

Bidder may note that in case the net amount blocked (post Discount) is more than two lakh Rupees, the Bidding system automatically considers such applications for allocation under Non-Institutional Category. These applications are neither eligible for Discount nor fall under RII category.

4.1.8 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS

- a) Only the First Applicant is required to sign the Bid cum Application Form/Application Form. Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- b) The signature has to be correctly affixed in the authorisation/undertaking box in the Bid cum Application Form/Application Form, or an authorisation has to be provided to the SCSB or using the UPI to the Sponsor Bank, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form/Application Form.
- c) Applicants must note that Bid cum Application Form/Application Form without signature of Applicant and/or ASBA Account holder is liable to be rejected..

4.1.9 ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

- a) Bidders should ensure that they receive the Acknowledgement Slip or number duly signed and stamped by the Designated Intermediary, as applicable, for submission of the Bid cum Application Form.
- b) All communications in connection with Bids/Applications made in the Issue should be addressed as under:
 - 1) In case of queries related to Allotment, non-receipt of Allotment Advice, credit of Allotted Equity shares, unblocking of funds, the Applicants should contact the Registrar to the Issue.
 - 2) In case of Bids submitted to the Designated Branches of the SCSBs, the Applicants should contact the relevant Designated Branch of the SCSB.
 - 3) In case of queries relating to uploading of Syndicate Member ASBA Bids, the Applicants should contact the relevant Syndicate Member.
 - 4) In case of queries relating to uploading of Bids by a Designated Intermediary, the Applicants should contact the relevant Designated Intermediary.
 - 5) In case of queries relating to uploading of Bids through UPI mechanism, the Applicants should contact the Designated Intermediary.
 - 6) Applicant may contact the Company Secretary and Compliance Officer or BRLM(s) in case of any other complaints in relation to the Issue.
- c) The following details (as applicable) should be quoted while making any queries –
 - 1) full name of the sole or First Applicant, Bid cum Application Form number, Applicants' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on application;
 - 2) name and address of the Designated Intermediary, where the Bid was submitted along with the acknowledgment slip from Designated Intermediary; or
 - 3) Bids, ASBA Account number or the UPI ID (for RIIs who make the payment of Bid Amount through the UPI mechanism) linked to the ASBA Account where the Bid Amount was blocked.

For further details, Applicant may refer to the Prospectus and the Bid cum Application Form.

4.2 INSTRUCTIONS FOR FILING THE REVISION FORM

- a) During the Bid/ Issue Period, any Applicant (other than QIBs and NIIs, who can only revise their bid upwards) who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the Revision Form, which is a part of the Bid cum Application Form.
- b) RII may revise their bids or withdraw their Bids till the Bid/ Issue Close Date.
- c) Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form.
- d) The Applicant can make this revision any number of times during the Bid/ Issue Period. However, for any revision(s) in the Bid, the Applicants will have to use the services of the same Designated Intermediary through which such Applicant had placed the original Bid. It is clarified that RIIs whose original Bid is made using the UPI mechanism can make revision(s) to their Bid using the UPI mechanism only, whereby each time the Sponsor Bank will initiate a new UPI Mandate Request. Bidders /Applicants are advised to retain copies of the blank Revision Form and the Bid(s) must be made only in such Revision Form or copies thereof.

A sample revision form is reproduced below:



COMMON BID REVISION FORM **XYZ LIMITED - INITIAL PUBLIC OFFER - R** **FOR RESIDENT INDIAN INVESTORS, INCLUDING RESIDENT QIBs, NON-INSTITUTIONAL BIDDERS, RETAIL INDIVIDUAL BIDDERS AND ELIGIBLE NRI APPLYING ON A NON-REPATRIATION BASIS**

Registered Office: _____ Tel: _____ Fax: _____
 Corporate Office: _____ Tel: _____ Fax: _____
 Contact Person: _____ E-Mail: _____ Website: _____
 Corporate Identity Number: _____

LOGO **To, The Board of Directors XYZ LIMITED** **100% BOOK BUILT OFFER ISIN : XXXXXXXXXX** **Bid cum Application Form No.**

SYNDICATE MEMBER'S STAMP & CODE	REGISTERED BROKER / SCB / CDP / RTA STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER Mr./Ms./M/s. _____ Address _____ Tel. No. (with STD code) / Mobile _____ Email _____
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	SCSB BRANCH STAMP & CODE	
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.	

PLEASE CHANGE MY BID

Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised)								Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only)			
	(In Figures)								(In Figures Only)			
	8	7	6	5	4	3	2	1	Bid Price	Retail Discount	Net Price	"Cut-off" (Please ✓ tick)
Option 1												<input type="checkbox"/>
(OR) Option 2												<input type="checkbox"/>
(OR) Option 3												<input type="checkbox"/>

5. TO (REVISED BID) (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")

Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised)								Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only)			
	(In Figures)								(In Figures Only)			
	8	7	6	5	4	3	2	1	Bid Price	Retail Discount	Net Price	"Cut-off" (Please ✓ tick)
Option 1												<input type="checkbox"/>
(OR) Option 2												<input type="checkbox"/>
(OR) Option 3												<input type="checkbox"/>

6. PAYMENT DETAILS [IN CAPITAL LETTERS] **PAYMENT OPTION : FULL PAYMENT PART PAYMENT**

Additional Amount Blocked (₹ in figures) _____ (₹ in words) _____

ASBA Bank A/c No. _____
 Bank Name & Branch _____
 OR UPI Id (Maximum 45 characters) _____

I/WE (ON BEHALF OF JOINT BIDDERS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID REVISION FORM AND THE ATTACHED ABBREVED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE "BIDDERS UNDERLYING" AS GIVEN OVERLEAF I/WE (ON BEHALF OF JOINT BIDDERS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID REVISION FORM GIVEN OVERLEAF

7A. SIGNATURE OF SOLE/ FIRST BIDDER Date : _____, 2018	7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) I/We authorise the SCBSB to do all acts as are necessary to make the application in the Offer. 1) _____ 2) _____ 3) _____	SYNDICATE MEMBER / REGISTERED BROKER / SCB / CDP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
---	--	---

TEAR HERE

LOGO **XYZ LIMITED** Acknowledgement Slip for Syndicate Member/ Registered Broker/SCSB/CDP/RTA **Bid cum Application Form No.**

PAN of Sole / First Bidder _____

DPID / CLID _____

Additional Amount Blocked (₹) _____ ASBA Bank A/c No./UPI Id _____ Stamp & Signature of SCBSB Branch _____

Bank Name & Branch _____

Received from Mr./Ms./M/s. _____

Telephone / Mobile _____ Email _____

TEAR HERE

XYZ LIMITED BID REVISION FORM FOR INITIAL PUBLIC OFFER - R	Option 1	Option 2	Option 3	Stamp & Signature of Syndicate Member / Registered Broker / SCBSB / CDP / RTA	Name of Sole / First Bidder _____
	No. of Equity Shares				
	Bid Price			Acknowledgement Slip for Bidder	
	Additional Amount Blocked (₹)				
ASBA Bank A/c No./UPI Id _____	Bank Name & Branch _____		Bid cum Application Form No. _____		

Important Note : Application made using third party UPI Id Or ASBA Bank A/c are liable to be rejected.

XYZ LIMITED

Instructions to fill each field of the Revision Form can be found on the reverse side of the Revision Form. Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:

4.2.1 FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT

Bidders/Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3. 4.2.2

4.2.2 FIELD 4 & 5: BID OPTIONS REVISION 'FROM' AND 'TO'

- a) Apart from mentioning the revised options in the Revision Form, the Applicant must also mention the details of all the bid options given in his or her Bid cum Application Form or earlier Revision Form. For example, if a Applicant has Bid for three options in the Bid cum Application Form and such Applicant is changing only one of the options in the Revision Form, the Applicant must still fill the details of the other two options that are not being revised, in the Revision Form. The Designated Intermediaries may not accept incomplete or inaccurate Revision Forms.
- b) In case of revision, Bid options should be provided by Applicants in the same order as provided in the Bid cum Application Form.
- c) In case of revision of Bids by RIIs, Employees and Retail Individual Shareholders, such Applicants should ensure that the Bid Amount, subsequent to revision, does not exceed ₹ 200,000. In case the Bid Amount exceeds ₹ 200,000 due to revision of the Bid or for any other reason, the Bid may be considered, subject to eligibility, for allocation under the Non-Institutional Category, not being eligible for Discount (if applicable) and such Bid may be rejected if it is at the Cut-off Price. The Cut-off Price option is given only to the RIIs, Employees and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process.
- d) In case of revision of Bids by Employees, such Bidders/Applicants should ensure that the total Bid subsequent to revision, does not exceed ₹ 200,000.
- e) If, however, the RII does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RII and the RII is deemed to have approved such revised Bid at Cut-off Price.
- f) In case of a downward revision in the Price Band, RIIs and Bids by Employees under the Reservation Portion, who have bid at the Cut-off Price could either revise their Bid or the excess amount paid at the time of Bidding will be unblocked.

4.2.3 FIELD 6: PAYMENT DETAILS

- a) All Applicants are required to authorize blocking of the full Bid Amount (less Discount, if applicable) at the time of submitting the Bid Revision Form. In case of Applicants specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less discount offered, if any.
- b) Applicant may Offer instructions to block the revised amount based on cap of the revised Price Band (adjusted for the Discount (if applicable) in the ASBA Account, to the same Designated Intermediary through whom such Applicant had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.

- c) In case of a downward revision in the Price Band, RIIs, Employees and Retail Individual Shareholders, who have bid at the Cut-off Price, could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked.

4.2.4 FIELDS 7: SIGNATURES AND ACKNOWLEDGEMENTS

Bidders/Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

4.3 INSTRUCTIONS FOR FILING APPLICATION FORM IN ISSUES MADE OTHER THAN THROUGH THE BOOK BUILDING PROCESS (FIXED PRICE ISSUE)

4.3.1 FIELDS 1, 2, 3 NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.3.2 FIELD 4: PRICE, APPLICATION QUANTITY & AMOUNT

- a) The Issuer may mention Price or Price Band in the Prospectus. However a Prospectus registered with RoC contains one price or coupon rate (as applicable).
- b) Minimum Application Value and Bid Lot: The Issuer in consultation with the Lead Manager to the Issue (LM) may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹ 1,00,000 to ₹ 2,00,000. The minimum Lot size is accordingly determined by an Issuer on basis of such minimum application value.
- c) Applications by RIIs, Employees and Retail Individual Shareholders, must be for such number of shares so as to ensure that the application amount payable does not exceed ₹ 200,000.
- d) Applications by other investors must be for such minimum number of shares such that the application amount exceeds ₹ 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the application form and the Prospectus, or as advertised by the Issuer, as the case may be.
- e) An application cannot be submitted for more than the Issue size.
- f) The maximum application by any Applicant should not exceed the investment limits prescribed for them under the applicable laws.
- g) **Multiple Applications:** An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or other SCSB and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.

For details regarding the procedures to be followed by the Registrar to detect multiple applications. Applicants should refer to paragraphs 4.1.4.2(b) and 4.1.4.2(c).

4.3.3 FIELD NUMBER 5 : CATEGORY OF APPLICANTS

- a) The categories of applicants identified as per the SEBI ICDR Regulations for the purpose of Bidding, allocation and Allotment in the Issue are RIIs, individual applicants other than RII's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).
- b) An Issuer can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations. For details of any reservations made in the Issue, applicants may refer to the Prospectus.



- c) The SEBI ICDR Regulations specify the allocation or Allotment that may be made to various categories of applicants in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation applicant may refer to the Prospectus.

4.3.4 FIELD NUMBER 6: INVESTOR STATUS

Applicants should refer to instructions contained in paragraphs 4.1.6.

4.3.5 FIELD 7: PAYMENT DETAILS

- a) Applicants are required to enter either the ASBA Bank account details or the UPI ID in this field. In case the Applicants doesn't provide any of the ASBA Bank account details or the UPI ID then the application would be rejected. For application submitted to Designated Intermediaries (other than SCSBs), Bidder providing both the ASBA Bank account details as well as the UPI ID, the UPI ID will be considered for processing of the application.
- b) All Applicants (other than Anchor Investors) are required to make use ASBA for applying in the Issue
- c) RIIs applying through Designated Intermediaries (other than SCSBs) may make use of the UPI mechanism for applying in the Issue.
- d) Application Amount cannot be paid in cash, cheques or demand drafts through money order, cheque or through postal order or through stock invest.

4.3.5.1 Payment instructions for Applicants

Applicants should refer to instructions contained in paragraphs 4.1.7.2

4.3.5.2 Unblocking of ASBA Account

Applicants should refer to instructions contained in paragraph 4.1.7.3.

4.3.5.1 Additional Payment Instructions for RIIs bidding through Designated Intermediaries (other than SCSBs) using the UPI mechanism

Applicants should refer to instructions contained in paragraph 4.1.7.4

4.3.5.4 Discount (if applicable)

Applicants should refer to instructions contained in paragraph 4.1.7.5

4.3.6 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS & ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

Applicants should refer to instructions contained in paragraphs 4.1.8 & 4.1.9.

4.4 SUBMISSION OF BID CUM APPLICATION FORM/REVISION FORM/APPLICATION FORM

- 4.4.1 Bidders/Applicants may submit completed Bid cum application form/Revision Form in the following manner:-

Mode of Application	Submission of Bid cum Application Form
Anchor Investors Application Form	<ul style="list-style-type: none"> To the Book Running Lead Manager at the Specified Locations mentioned in the Bid cum Application Form



Mode of Application	Submission of Bid cum Application Form
All Applications (other than Anchor Investors)	<ul style="list-style-type: none">To members of the Syndicate in the Specified Locations or Registered Brokers at the Broker Centres or the CRTAs at the Designated RTA Location or the CDPs at the CDP LocationTo the Designated Branches of the SCSBs where the ASBA Account is maintained

- Applicants should submit the Revision Form to the same Designated Intermediary through which such Applicant had placed the original Bid.
- Upon submission of the Bid cum Application Form, the Applicant will be deemed to have authorized the Issuer to make the necessary changes in the Prospectus and the Bid cum Application Form as would be required for filing Prospectus with the RoC and as would be required by the RoC after such filing, without prior or subsequent notice of such changes to the relevant Applicant.
- Upon determination of the Issue Price and filing of the Prospectus with the RoC, the Bid cum Application Form will be considered as the application form.

SECTION 5: ISSUE PROCEDURE IN BOOK BUILT ISSUE

Book Building, in the context of the Issue, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Issue Price based on the Bids received as detailed in Schedule XIII of SEBI ICDR Regulations. The Issue Price is finalised after the Bid/ Issue Closing Date. Valid Bids received at or above the Issue Price are considered for allocation in the Issue, subject to applicable regulations and other terms and conditions.

5.1 SUBMISSION OF BIDS

- During the Bid/ Issue Period, Applicants may approach any of the Designated Intermediaries to register their Bids. Anchor Investors who are interested in subscribing for the Equity Shares should approach the Book Running Lead Manager, to register their Bid.
- In case of Applicants (excluding NIIs and QIBs) Bidding at Cut-off Price, the Applicants may instruct the SCSBs or the Sponsor Bank, as applicable, to block Bid Amount based on the Cap Price less Discount (if applicable).
- For Details of the timing on acceptance and upload of Bids in the Stock Exchanges Platform Applicants are requested to refer to the Prospectus.

5.2 ELECTRONIC REGISTRATION OF BIDS

- The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the issue.
- On the Bid/ Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges.
- Only Bids that are uploaded on the Stock Exchanges Platform would be considered for allocation/Allotment. In UPI Phase I, the Designated Intermediaries are given till 1:00 pm on the day following the Bid/ Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/ Issue Period after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

5.3 BUILD UP OF THE BOOK

- a) Bids received from various Applicants through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchanges' on a regular basis. The book gets built up at various price levels. This information may be available with the BRLMs at the end of the Bid/ Issue Period.
- b) Based on the aggregate demand and price for Bids registered on the Stock Exchanges Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchanges may be made available at the Bidding centres during the Bid/ Issue Period.

5.4 WITHDRAWAL OF BIDS

- a) RIIs can withdraw their Bids until Bid/ Issue Closing Date. In case a RII wishes to withdraw the Bid, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- b) The Registrar to the Issue shall give instruction to the SCSB or the Sponsor Bank, as applicable, for unblocking the ASBA Account upon or after the finalization of basis of Allotment. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

5.5 REJECTION & RESPONSIBILITY FOR UPLOAD OF BIDS

- a) The Designated Intermediaries are individually responsible for the acts, mistakes or errors or omission in relation to:
 - 1) the Bids accepted by the Designated Intermediaries,
 - 2) the Bids (including UP ID, as applicable) uploaded by the Designated Intermediaries, and
 - 3) the Bid cum application forms accepted but not uploaded by the Designated Intermediaries.
- b) The BRLMs and their affiliate Syndicate Members, as the case may be, may reject Bids if all the information required is not provided and the Bid cum Application Form is incomplete in any respect.
- c) The SCSBs or the Sponsor Banks, as applicable, shall have no right to reject Bids, except in case of unavailability of adequate funds in the ASBA account or on technical grounds.
- d) In case of QIB Bidders, only the (i) SCSBs (for Bids other than the Bids by Anchor Investors); and (ii) BRLMs and their affiliate Syndicate Members (only in the Specified Locations) have the right to reject bids. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing.
- e) All bids by QIBs, NIIs & RIIs Bids can be rejected on technical grounds listed herein.

5.5.1 GROUNDS FOR TECHNICAL REJECTIONS

Bid cum Application Forms/Application Form can be rejected on the below mentioned technical grounds either at the time of their submission to any of the Designated Intermediaries, or at the time of finalisation of the Basis of Allotment. Bidders/Applicants are advised to note that the Bids/Applications are liable to be rejected, inter-alia, on the following grounds, which have been detailed at various places in this GID:-

- a) Bid/Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account as per Demographic Details provided by Depositories);
- b) Bids/Applications of Bidders (other than Anchor Investors) accompanied by cash, draft, cheques, money order or any other mode of payment other than amounts blocked in the Bidders' ASBA Account;

-
- c) Bids/Applications by OCBs; and
 - d) In case of partnership firms, Bid/Application for Equity Shares made in the name of the firm. However, a limited liability partnership can apply in its own name;
 - e) In case of Bids/Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents not being submitted along with the Bid cum application form/Application Form;
 - f) Bids/Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
 - g) Bids/Applications by any person outside India if not in compliance with applicable foreign and Indian laws;
 - h) DP ID and Client ID not mentioned in the Bid cum Application Form/Application Form;
 - i) ASBA Account number or UPI ID not mentioned or incorrectly mentioned in the Bid cum Application Form/Application Form;
 - j) PAN not mentioned in the Bid cum Application Form/Application Form, except for Bids/Applications by or on behalf of the Central or State Government and officials appointed by the court and by the investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participant;
 - k) In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;
 - l) Bids/Applications for lower number of Equity Shares than the minimum specified for that category of investors;
 - m) Bids/Applications at a price less than the Floor Price and Bids/Applications at a price more than the Cap Price;
 - n) Bids/Applications at Cut-off Price by NIIs and QIBs;
 - o) The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
 - p) Bids/Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
 - q) Submission of Bid cum Application Forms/Application Form using third party UPI ID or ASBA Bank Account;
 - r) Submission of more than one Bid cum Application Form per UPI ID or ASBA Account mentioned in the Bid Cum Application Form by RIIs bidding through Designated Intermediaries (except for RIIs applying as Retail Individual Shareholder also)
 - s) In case of joint Bids, submission of Bid cum Application Forms/Application Form using second or third party's UPI ID or ASBA Bank Account;
 - t) Bids/Applications for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the Prospectus;
 - u) Multiple Bids/Applications as defined in this GID and the Prospectus;
 - v) Bid cum Application Forms/Application Forms are not delivered by the Bidders/Applicants within the time prescribed as per the Bid cum Application Forms/Application Form, Bid/ Issue Opening Date advertisement and as per the instructions in the Prospectus and the Bid cum Application Forms;



-
- w) Bank account mentioned in the Bid cum Application Form (for Bidders applying through the non UPI mechanism) may not be an account maintained by SCSB. Inadequate funds in the ASBA account to block the Bid/Application Amount specified in the Bid cum Application Form/Application Form at the time of blocking such Bid/Application Amount in the ASBA account;
 - x) In case of Bids by RIIs (applying through the UPI mechanism), the UPI ID mentioned in the Bid cum Application Form is linked to a third party bank account;
 - y) In case of Bids by RIIs (applying through the UPI mechanism), the UPI ID is not mentioned in the Bid cum Application Form;
 - z) In case of Anchor Investors, Bids/Applications where sufficient funds are not available in Escrow Accounts as per final certificate from the Escrow Collection Banks;
 - aa) Where no confirmation is received from SCSB or the Sponsor Bank, as applicable, for blocking of funds;
 - bb) Bids/Applications by Bidders (other than Anchor Investors) not submitted through ASBA process;
 - cc) Bids/Applications submitted to Designated Intermediaries at locations other than the Bidding Centers or, submitted to the Escrow Collecting Banks (assuming that such bank is not a SCSB where the ASBA Account is maintained), to the issuer or the Registrar to the Issue;
 - dd) Bids/Applications not uploaded on the terminals of the Stock Exchanges;
 - ee) Bids/Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form;
 - ff) The UPI Mandate is not approved by Retail Individual Investor; and
 - gg) The original Bid/Application is made using the UPI mechanism and revision(s) to the Bid/Application is made using ASBA either physically or online through the SCSB, and vice-versa.
 - hh) Applicants are required to enter either the ASBA Bank account details or the UPI ID in the Bid cum Application Form. In case the Bidder doesn't provide any of the ASBA Bank account details or the UPI ID then the application would be rejected. For application submitted to Designated Intermediaries (other than SCSBs), Bidder providing both the ASBA Bank account details as well as the UPI ID, the UPI ID will be considered for processing of the application.
 - ii) RIIs shall ensure that the bank, with which it has its bank account, where the funds equivalent to the application amount is available for blocking has been notified as Issuer Banks for UPI. A list of such banks is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>
 - jj) In case of revision of Bids by RII Bidders, if UPI Mandate Request for the revised Bid is not approved, the Application is liable to be rejected.

5.6 BASIS OF ALLOCATION

- a) The SEBI ICDR Regulations specify the allocation or Allotment that may be made to various categories of Applicants in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the Prospectus. For details in relation to allocation, the Applicant may refer to the Prospectus.
- b) Under-subscription in any category (except QIB Category) is allowed to be met with spillover from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLMs and the



Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.

- c) In case of under subscription in the Net Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Net Issue. For allocation in the event of an under-subscription applicable to the Issuer, Applicants may refer to the Prospectus.
- d) Illustration of the Book Building and Price Discovery Process Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors.

Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹ 20 to ₹ 24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

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

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Issuer in consultation with the BRLMs, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

- e) Alternate Method of Book Building

In case of FPOs, Issuers may opt for an alternate method of Book Building in which only the Floor Price is specified for the purposes of bidding (“Alternate Book Building Process”).

The Issuer may specify the Floor Price in the Prospectus or advertise the Floor Price at least one Working Day prior to the Bid/ Issue Opening Date. QIBs may Bid at a price higher than the Floor Price and the Allotment to the QIBs is made on a price priority basis. The Bidder with the highest Bid Amount is allotted the number of Equity Shares Bid for and then the second highest Bidder is Allotted Equity Shares and this process continues until all the Equity Shares have been allotted. RIIs, NIIs and Employees are Allotted Equity Shares at the Floor Price and Allotment to these categories of Bidders is made proportionately. If the number of Equity Shares Bid for at a price is more than available quantity then the Allotment may be done on a proportionate basis. Further, the Issuer may place a cap either in terms of number of specified securities or percentage of issued capital of the Issuer that may be Allotted to a single Bidder, decide whether a Bidder be allowed to revise the bid upwards or downwards in terms of price and/or quantity and also decide whether a Bidder be allowed single or multiple bids.

SECTION 6: ISSUE PROCEDURE IN FIXED PRICE ISSUE

Applicants may note that there is no Bid cum Application Form in a Fixed Price Issue. As the Issue Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the Application Form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through the Designated Intermediary.

ASBA Applicants may submit an Application Form either in physical form to the Designated Intermediaries or in the electronic form to the SCSB or the Designated Branches of the SCSBs authorising blocking of funds that are available in the ASBA account specified in the Application Form only. The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Bid/Issue Opening Date.

In a fixed price Issue, allocation in the net issue to the public category is made as follows: minimum fifty per cent to Retail Individual Investors; and remaining to (i) individual investors other than Retail Individual Investors; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

For details of instructions in relation to the Application Form, Applicants may refer to the relevant section of the GID.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The Allotment of Equity Shares to Applicants other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Applicants may refer to Prospectus. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue (excluding any Offer for Sale of specified securities). However, in case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

7.1 ALLOTMENT TO RIIs

Bids received from the RIIs at or above the Issue Price may be grouped together to determine the total demand under this category. If the aggregate demand in this category is less than or equal to the Retail Category at or above the Issue Price, full Allotment may be made to the RIIs to the extent of the valid Bids. If the aggregate demand in this category is greater than the allocation to in the Retail Category at or above the Issue Price, then the maximum number of RIIs who can be Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot (“Maximum RII Allottees”). The Allotment to the RIIs will then be made in the following manner:

- a) In the event the number of RIIs who have submitted valid Bids in the Issue is equal to or less than Maximum RII Allottees, (i) all such RIIs shall be Allotted the minimum Bid Lot; and (ii) the balance available Equity Shares, if any, remaining in the Retail Category shall be Allotted on a proportionate basis to the RIIs who have received Allotment as per (i) above for the balance demand of the Equity Shares Bid by them (i.e. who have Bid for more than the minimum Bid Lot).
- b) In the event the number of RIIs who have submitted valid Bids in the Issue is more than Maximum RII Allottees, the RIIs (in that category) who will then be Allotted minimum Bid Lot shall be determined on the basis of draw of lots.

7.2 ALLOTMENT TO NIIs

Bids received from NIIs at or above the Issue Price may be grouped together to determine the total demand under this category. The Allotment to all successful NIIs may be made at or above the Issue Price. If the aggregate demand in this category is less than or equal to the Non-Institutional Category at or above the Issue Price, full Allotment may be made to NIIs to the extent of their demand. In case the aggregate demand in this category is greater than the Non-Institutional Category at or above the Issue Price, Allotment may be made on a proportionate basis up to a minimum of the Non-Institutional Category.

7.3 ALLOTMENT TO QIBs

For the Basis of Allotment to Anchor Investors, Applicants may refer to the SEBI ICDR Regulations, 2009 or Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner:

- a) In the first instance allocation to Mutual Funds for up to 5% of the QIB Category may be determined as follows:
 - (i) In the event that Bids by Mutual Fund exceeds 5% of the QIB Category, allocation to Mutual Funds may be done on a proportionate basis for up to 5% of the QIB Category; (ii) In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Category then all Mutual Funds may get full Allotment to the extent of valid Bids received above the Issue Price; and (iii) Equity Shares remaining unsubscribed, if any and not allocated to Mutual Funds may be available for Allotment to all QIBs as set out at paragraph 7.4(b) below;

In the second instance, Allotment to all QIBs may be determined as follows: (i) In the event of oversubscription in the QIB Category, all QIBs who have submitted Bids above the Issue Price may be Allotted Equity Shares on a proportionate basis for up to 95% of the QIB Category; (ii) Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIBs; and (iii) Under-subscription below 5% of the QIB Category, if any, from Mutual Funds, may be included for allocation to the remaining QIBs on a proportionate basis.

7.4 ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)

- a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Issue Price will be at the discretion of the issuer in consultation with the Investor and the BRLMs, subject to compliance with the following requirements:
 - 1) not more than 60% of the QIB Category will be allocated to Anchor Investors;
 - 2) one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
 - 3) allocation to Anchor Investors shall be on a discretionary basis and subject to:
 - a maximum number of two Anchor Investors for allocation up to ₹ 10 crores;
 - a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 10 crores and up to ₹250 crores subject to minimum Allotment of ₹ M 5 crores per such Anchor Investor; and
 - a minimum number of five Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 250 crores, and an additional 10 Anchor Investors for every additional ₹ 250 crores or part thereof, subject to minimum Allotment of M 5 crores per such Anchor Investor.
- b) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the issuer in consultation with the BRLMs, selected Anchor Investors will be sent a CAN and if required, a revised CAN.
- c) In the event that the Issue Price is higher than the Anchor Investor Issue Price: Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Issue Price,



as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors.

- d) In the event the Issue Price is lower than the Anchor Investor Issue Price: Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

7.5 BASIS OF ALLOTMENT FOR QIBs (OTHER THAN ANCHOR INVESTORS), NIIs AND RESERVED CATEGORY IN CASE OF OVER-SUBSCRIBED ISSUE

In the event of the Issue being over-subscribed, the Issuer may finalise the Basis of Allotment in consultation with the Designated Stock Exchange in accordance with the SEBI ICDR Regulations, 2009.

The allocation may be made in marketable lots, on a proportionate basis as explained below:

- a) Bidders may be categorized according to the number of Equity Shares applied for;
- b) The total number of Equity Shares to be Allotted to each category as a whole may be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio;
- c) The number of Equity Shares to be Allotted to the successful Bidders may be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio;
- d) In all Bids where the proportionate Allotment is less than the minimum Bid Lot decided per Bidder, the Allotment may be made as follows: the successful Bidders out of the total Bidders for a category may be determined by a draw of lots in a manner such that the total number of Equity Shares Allotted in that category is equal to the number of Equity Shares calculated in accordance with (b) above; and each successful Bidder may be Allotted a minimum of such Equity Shares equal to the minimum Bid Lot finalised by the Issuer;
- e) If the proportionate Allotment to a Bidder is a number that is more than the minimum Bid lot but is not a multiple of one (which is the marketable lot), the decimal may be rounded off to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5 it may be rounded off to the lower whole number. Allotment to all Bidders in such categories may be arrived at after such rounding off; and
- f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares Allotted to the Bidders in that category, the remaining Equity Shares available for Allotment may be first adjusted against any other category, where the Allotted Equity Shares are not sufficient for proportionate Allotment to the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment may be added to the category comprising Bidders applying for minimum number of Equity Shares.

7.6 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

- a) Designated Date: On the Designated Date, the Escrow Bank shall transfer the funds represented by allocation of Equity Shares to Anchor Investors from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account with the Bankers to the Issue. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the Bidders applying in the Anchor Investor Portion shall be made from the Refund Account as per the terms of the Escrow Agreement and the Prospectus. On the Designated Date, the Registrar to the Issue shall instruct the SCSBs or the Sponsor Bank, as applicable, to transfer funds represented by allocation of Equity Shares from ASBA Accounts into the Public Issue Account.
- b) Issuance of Allotment Advice: Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary resolutions and undertake corporate action to facilitate the Allotment and credit of Equity



Shares. Applicants are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been Allotted Equity Shares in the Issue.

- c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.
- d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) credit of shares to the successful Applicants Depository Account will be completed within six Working Days of the Bid/ Issue Closing Date.

SECTION 8: INTEREST AND REFUNDS

8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within six Working Days of the Bid/ Issue Closing Date.

8.2 GROUNDS FOR REFUND

8.2.1 NON RECEIPT OF LISTING PERMISSION

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in Prospectus. The Designated Stock Exchange may be as disclosed in the Prospectus with which the Basis of Allotment may be finalised.

If the Issuer fails to make application to the Stock Exchange(s) or obtain permission for listing of the Equity Shares, in accordance with the provisions of Section 40 of the Companies Act, 2013, the Issuer shall be punishable with a fine which shall not be less than ₹ 5 lakhs but which may extend to ₹50 lakhs and every officer of the Issuer who is in default shall be punishable with imprisonment for a term which may extend to one year or with fine which shall not be less than ₹ 50,000 but which may extend to ₹ 3 lakhs, or with both.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith take steps to refund, without interest, all moneys received from Applicants.

If such money is not refunded to the Bidders within the prescribed time after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of such period, be liable to repay the money, with interest at such rate, as disclosed in the Prospectus.

8.2.2 NON RECEIPT OF MINIMUM SUBSCRIPTION

If the Issuer does not receive a minimum subscription of 90% of the Net Issue (excluding any Issue for sale of specified securities), including devolvement to the Underwriters, the Issuer may forthwith, take steps to unblock the entire subscription amount received within six Working Days of the Bid/ Issue Closing Date and repay, without interest, all moneys received from Anchor Investors. This is further subject to the compliance with Rule 19(2) (b) of the SCRR. In case the Issue is in the nature of Issue for Sale only, then minimum subscription may not be applicable. In case of under-subscription in the Issue, the Equity Shares in the Issue will be issued prior to the sale of Equity Shares in the Offer for Sale.

If there is a delay beyond the prescribed time after the Issuer becomes liable to pay or unblock the amount received from Bidders, then the Issuer and every director of the Issuer who is an officer in default may on and from expiry of prescribed time period under applicable laws, be jointly and severally liable to repay the money, with interest at the rate of 15% per annum in accordance with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended



8.2.3 MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be Allotted may not be less than 1,000 failing which the entire application monies may be refunded forthwith.

8.2.4 IN CASE OF ISSUES MADE UNDER COMPULSORY BOOK BUILDING

In case an Issuer not eligible under Regulation 26(1) of the SEBI ICDR Regulations comes for an Issue under Regulation 26(2) of SEBI (ICDR) Regulations, but fails to Allot at least 75% of the Net Issue to QIBs, in such case full subscription money is to be refunded.

8.3 MODE OF REFUND

- a) In case of ASBA Bids/Applications: Within six Working Days of the Bid/ Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs or in case of Bids by RIIs applying through the UPI mechanism to the Sponsor Bank to revoke the mandate and for unblocking the amount for unsuccessful Bid/Application and also for any excess amount blocked on Bidding/Application.
- b) In case of Anchor Investors: Within six Working Days of the Bid/ Issue Closing Date, the Registrar to the Issue may dispatch the refund orders for all amounts payable to unsuccessful Anchor Investors.
- c) In case of Anchor Investors, the Registrar to the Issue may obtain from the depositories, the Applicants' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Anchor Investors in their Anchor Investor Application Forms for refunds. Accordingly, Anchor Investors are advised to immediately update their details as appearing on the records of their depositories. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Anchor Investors' sole risk and neither the Issuer, the Registrar to the Issue, the Escrow Collection Banks, or the Syndicate, may be liable to compensate the Anchor Investors for any losses caused to them due to any such delay, or liable to pay any interest for such delay. Please note that refunds shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.
- d) In the case of Bids from Eligible NRI Bidders and FPIs, refunds, if any, may generally be payable in Indian Rupees only and net of bank charges and/or commission. If so desired, such payments in Indian Rupees may be converted into U.S. Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and may be dispatched by registered post. The Company may not be responsible for loss, if any, incurred by the Bidder/Applicant on account of conversion of foreign currency.

8.3.1 Electronic mode of making refunds for Anchor Investors

The payment of refund, if any, may be done through various electronic modes as mentioned below:

- a) NACH — National Automated Clearing House is a consolidated system of ECS. Payment of refunds would be done through NACH for Anchor Investors having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including Magnetic Ink Character Recognition (MICR) code wherever applicable from the depository. The payment of refunds through NACH is mandatory for Anchor Investors having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS;
- b) NEFT - Payment of refund may be undertaken through NEFT wherever the branch of the Anchor Investors' bank is NEFT enabled and has been assigned the Indian Financial System Code ("IFSC"), which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Anchor Investors have



registered their nine digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Anchor Investors through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;

- c) Direct Credit - Anchor Investors having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;
- d) RTGS - Anchor Investors having a bank account with a bank branch which is RTGS enabled as per the information available on the website of RBI and whose refund amount exceeds ₹ 0.2 million, shall be eligible to receive refund through RTGS, provided the Demographic Details downloaded from the Depositories contain the nine digit MICR code of the Anchor Investor's bank which can be mapped with the RBI data to obtain the corresponding IFSC. Charges, if any, levied by the Anchor Escrow Bank for the same would be borne by our Company. Charges, if any, levied by the Anchor Investor's bank receiving the credit would be borne by the Anchor Investor.

Please note that refunds through the abovementioned modes shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.

For details of levy of charges, if any, for any of the above methods, Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centers, etc. Anchor Investors may refer to Prospectus.

8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at the rate of 15% per annum if refund orders, as applicable, are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/or demat credits are not made to Applicants or instructions for unblocking of funds in the ASBA Account are not dispatched within the 6 working days of the Bid/ Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 15 days from the Bid/ Issue Closing Date, if Allotment is not made.

SECTION 9: GLOSSARY AND ABBREVIATIONS

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.

Term	Description
Allotment/Allot/Allotted	The allotment of Equity Shares pursuant to the Issue to successful Applicants
Allotment Advice	Note or advice or intimation of Allotment sent to the Applicants who have been Allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges
Allottee	An Applicant to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Invest or Portion in accordance with the requirements specified in SEBI ICDR Regulations, 2009 and the Prospectus.
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Prospectus
Anchor Investor Portion	Up to 60% of the QIB Category which may be allocated by the Issuer in consultation with the BRLMs, to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion is reserved for domestic Mutual



Term	Description
	Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors
Application Form	The form in terms of which the Applicant should make an application for Allotment in case of issues other than Book Built Issues, includes Fixed Price Issue
Application Supported by Blocked Amount/ ASBA	An application, whether physical or electronic, used by Bidders/Applicants, other than Anchor Investors, to make a Bid and authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB and will include amounts blocked by RIIs using the UPI mechanism
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB or the account of the RII Bidder blocked upon acceptance of UPI Mandate Request by RIIs using the UPI Mechanism to the extent of the Bid Amount of the Bidder/Applicant
Banker(s) to the Issue / Escrow Collection Bank(s) / Collecting Banker	The banks which are clearing members and registered with SEBI as Banker to the Issue with whom the Escrow Account(s) for Anchor Investors may be opened ,and as disclosed in the Prospectus and Bid cum Application Form of the Issuer
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful Applicants under the Issue
Bid/Application	An indication to make an Issue during the Bid/ Issue Period by a prospective Bidder pursuant to submission of Bid cum Application Form or during the Anchor Investor Issue Period by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price within the Price Band, including all revisions and modifications there to. In case of issues undertaken through the fixed price process, all references to a Bid should be construed to mean an Application
Bid Amount/ Application Amount	The highest value of the optional Bids indicated in the Bid cum Application Form and payable by the Applicant up on submission of the Bid(except for Anchor Investors), less discounts (if applicable). In case of issues undertaken through the fixed price process, all references to the Bid Amount should be construed to mean the Application Amount
Bid/ Issue Closing Date	Except in the case of Anchor Investors (if applicable), the date after which the Designated Intermediaries may not accept any Bids for the Issue, which may be notified in an English national daily, a Hindi national daily and a regional language news paper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants may refer to the Prospectus for the Bid/ Issue Closing Date
Bid/ Issue Opening Date	The date on which the Designated Intermediaries may start accepting Bids for the Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants may refer to the Prospectus for the Bid/ Issue Opening Date
Bid/ Issue Period	Except in the case of Anchor Investors (if applicable),the period between the Bid/ Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants (other than Anchor Investors) can submit their Bids, inclusive of any revisions thereof. The Issuer may consider closing the Bid/ Issue Period for QIBs one working day prior to the Bid/ Issue Closing Date in accordance with the SEBI ICDR Regulations, 2009. Applicants may refer to the Prospectus for the Issue Period
Bid cum Application Form/ Application Form	An application form, whether physical or electronic, used by Bidders/Applicants, other than Anchor Investors, to make a Bid/ Application and which will be considered as the application for Allotment in terms of

Term	Description
	the Red Herring Prospectus and the Prospectus
Applicant	Any prospective investor who makes a Bid pursuant to the terms of the Prospectus and the Bid cum Application Form. In case of issues undertaken through the fixed price process, all references to a Applicant should be construed to mean an Applicant
Book Built Process / Book Building Process / Book Building Method	The book building process as provided under SEBI ICDR Regulations, 2009, in terms of which the Issue is being made
Broker Centres	Broker centres notified by the Stock Exchanges, where Applicants can submit the Bid cum Application Forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchanges.
BRLM/ Book Running Lead Manager / Lead Manager / LM	The Book Running Lead Manager to the Issue as disclosed in the Prospectus and the Bid cum Application Form of the Issuer. In case of issues undertaken through the fixed price process, all references to the Book Running Lead Manager should be construed to mean the Lead Manager or LM
Business Day	Monday to Saturday (except 2nd & 4th Saturday of a month and public holidays)
CAN / Confirmation of Allotment Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which may be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange
Cap Price	The higher end of the Price Band, above which the Issue Price and the Anchor Investor Issue Price may not be finalised and above which no Bids may be accepted
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Collecting Depository Participant or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Cut-off Price	Issue Price, finalised by the Issuer in consultation with the Book Running Lead Manager, which can be any price within the Price Band. Only RIIs, Retail Individual Shareholders and employees are entitled to Bid at the Cut-off Price. No other category of Applicants are entitled to Bid at the Cut-off Price
DP	Depository Participant
DP ID	Depository Participant's Identification Number
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited
Demographic Details	Details of the Applicants including the Applicant's address, name of the Applicant's father/husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which may collect the Bid cum Application Forms used by Applicants (exc Anchor Investor) and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the Bid cum Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid cum Application Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)

Term	Description
Designated Date	The date on which funds are transferred by the Escrow Collection Bank(s) from the Escrow Account and the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, after the Prospectus is filed with the RoC, following which the board of directors may Allot Equity Shares to successful Applicants in the Fresh Issue may give delivery instructions for the transfer of the Equity Shares constituting the Offer for Sale
Designated Intermediaries / Collecting Agent	Syndicate Members, Sub-Syndicate/Agents, SCSBs, Registered Brokers, Brokers, the CDPs and RTAs, who are authorized to collect Bid cum Application Forms from the Bidders, in relation to the Issue
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the Bid cum Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Bid cum Application Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Stock Exchange	The designated stock exchange as disclosed in the Prospectus of the Issuer
Discount	Discount to the Issue Price that may be provided to Applicants in accordance with the SEBI ICDR Regulations, 2009.
Draft Prospectus	The draft prospectus filed with SEBI in case of Fixed Price Issues and which may mention a price or a Price Band
Employees	Employees of an Issuer as defined under SEBI ICDR Regulations, 2009 and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the promoter and immediate relatives of the promoter. For further details, Applicant may refer to the Draft Prospectus
Equity Shares	Equity Shares of the Issuer
Escrow Account	Account opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors may issue cheques or demand drafts or transfer money through NEFT or RTGS in respect of the Bid Amount when submitting a Bid
Escrow Agreement	Agreement to be entered into among the Issuer, the Registrar to the Issue, the Book Running Lead Manager, the Syndicate Member(s), the Escrow Collection Bank(s) and the Refund Bank(s) for collection of the Bid Amounts from Anchor Investors and where applicable, remitting refunds of the amounts collected to the Anchor Investors on the terms and conditions thereof
Escrow Collection Bank(s)	Refer to definition of Banker(s) to the Issue
FCNR Account	Foreign Currency Non-Resident Account
First Applicant	The Applicant whose name appears first in the Bid cum Application Form or Revision Form
Fixed Price Issue / Fixed Price Process / Fixed Price Method	The Fixed Price process as provided under SEBI ICDR Regulations, 2009, in terms of which the Issue is being made
Floor Price	The lower end of the Price Band, at or above which the Issue Price and the Anchor Investor Issue Price may be finalised and below which no Bids may be accepted, subject to any revision thereto
FPIs	Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
FPO	Further public offering
Foreign Venture Capital Investors or	Foreign Venture Capital Investors as defined and registered with SEBI



Term	Description
FVCIs	under the SEBI (Foreign Venture Capital Investors) Regulations, 2000
IPO	Initial public offering
Issuer/Company	The Issuer proposing the initial public offering/further public offering as applicable
Maximum RII Allottees	The maximum number of RIIs who can be Allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot.
MICR	Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
Mutual Funds Portion	5% of the QIB Category (excluding the Anchor Investor Portion) available for allocation to Mutual Funds only, being such number of equity shares as disclosed in the Prospectus and Bid cum Application Form
NACH	National Automated Clearing House which is a consolidated system of ECS. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including Magnetic Ink Character Recognition (MICR) code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS
NEFT	National Electronic Fund Transfer
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an Issue or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
Net Issue	The Issue less reservation portion
Non-Institutional Investors or NIIs	All Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporates or foreign individuals and FPIs which are Category III foreign portfolio investors, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than M 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Category	The portion of the Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the RHP/Prospectus and the Bid cum Application Form
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FPIs and FVCIs registered with SEBI
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
Offer	Public issue of Equity Shares of the Issuer including the Offer for Sale if applicable
Other Investors	Investors other than Retail Individual Investors in a Fixed Price Issue.

Term	Description
	These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for
Issue Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted to Bidders other than Anchor Investors, in terms of the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Issue Price The Issue Price may be decided by the Issuer in consultation with the Book Running Lead Manager
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Price Band	Price Band with a minimum price, being the Floor Price and the maximum price, being the Cap Price and includes revisions thereof. The Price Band and the minimum Bid lot size for the Issue may be decided by the Issuer in consultation with the Book Running Lead Manager and advertised, at least five working days in case of an IPO and one working day in case of FPO, prior to the Bid/ Issue Opening Date, in English national daily, Hindi national daily and regional language at the place where the registered office of the Issuer is situated, newspaper each with wide circulation
Pricing Date	The date on which the Issuer in consultation with the Book Running Lead Manager, finalise the Issue Price
Prospectus	The prospectus to be filed with the RoC in accordance with Section 26 of the Companies Act, 2013 after the Pricing Date, containing the Issue Price, the size of the Issue and certain other information
Public Issue Account	An account opened with the Banker to the Issue to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date
QIB Category	The portion of the Issue being such number of Equity Shares to be Allotted to QIBs on a proportionate basis
Qualified Institutional Buyers or QIBs	As defined under SEBI ICDR Regulations, 2009
RTGS	Real Time Gross Settlement
Refund Account(s)	The account opened with Refund Bank(s), from which refunds to Anchor Investors, if any, of the whole or part of the Bid Amount may be made
Refund Bank(s)	Refund bank(s) as disclosed in the Prospectus and Bid cum Application Form of the Issuer
Refunds through electronic transfer of funds	Refunds through Direct Credit, NEFT, RTGS or ASBA, as applicable
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registered Broker	Stock Brokers registered with the Stock Exchanges having nationwide terminals, other than the members of the Syndicate
Registrar to the Issue /RTO	The Registrar to the Issue as disclosed in the Prospectus and Bid cum Application Form
Reserved Category / Categories	Categories of persons eligible for making application/Bidding under reservation portion
Reservation Portion	The portion of the Issue reserved for such category of eligible Applicants as provided under the SEBI ICDR Regulations, 2009
Retail Individual Investors/RIIs	Investors who applies or bids for a value of not more than ₹ 200,000 (including HUFs applying through their karta and eligible NRIs and does not include NRIs other than Eligible NRIs.
Retail Individual Shareholders	Shareholders of a listed Issuer who applies or bids for a value of not more than ₹ 200,000.
Retail Category	The portion of the Issue being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum Bid Lot,



Term	Description
	subject to availability in RII category and the remaining shares to be Allotted on proportionate basis.
Revision Form	The form used by the Bidders, including ASBA Bidders, in an issue through Book Building Process to modify the quantity of Equity Shares and/or bid price indicated therein in any of their Bid cum Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
SEBI ICDR Regulations, 2018	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018. This Prospectus has been prepared in accordance with provisions and disclosure requirements of the SEBI ICDR Regulations except that the issue procedure including in relation to Bid/Offer Period, submission of Application Forms, Payment of Application Amount, Allocation, Allotment, Refund of Application Amount, if any and listing of the Equity Shares as described in the section "Issue Procedure" on page 173 including "Part B - General Information Document for Investing in Public Issues" (each read with "Definition and Abbreviations" on page 1) has been prepared in accordance with SEBI ICDR Regulations, 2018.
Self Certified Syndicate Bank(s) or SCSB(s)	The banks registered with the SEBI which offers the facility of ASBA and the list of which is available on the website of the http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes
Specified Locations	Bidding centres where the Syndicate shall accept Bid cum Application Forms, a list of which is available on the website of SEBI at http://www.sebi.gov.in/ and updated from time to time
Sponsor Bank	The Banker to the Offer registered with SEBI which is appointed by the Issuer/Offer or 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
Stock Exchanges / SE	The stock exchanges as disclosed in the Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed
Syndicate	The Book Running Lead Manager and the Syndicate Member
Syndicate Agreement	The agreement to be entered into among the Issuer, and the Syndicate in relation to collection of Bid cum Application Forms by Syndicate Members
Syndicate Member(s) / SM	The Syndicate Member(s) as disclosed in the Prospectus
Underwriters	The Book Running Lead Manager and the Syndicate Member(s)
Underwriting Agreement	The agreement amongst the Issuer, and the Underwriters to be entered into on or after the Pricing Date
UPI 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 Bid Amount and subsequent debit of funds in case of Allotment
UPI PIN	Password to authenticate UPI transaction
Working Day	All days on which commercial banks in Mumbai are open for business. In respect of announcement of Price Band and Bid / Offer Period, Working Day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business.



Term	Description
	In respect of the time period between the Bid/Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, Working Day shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per circulars issued by SEBI.



RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are FIPB and the RBI.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“DIPP”), issued consolidated FDI Policy, which with effect from June 07, 2016 consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on June 7, 2016. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, the Consolidation FDI Policy will be valid until the DIPP issues an updated circular.

The transfer of shares by an Indian resident to a Non-Resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the Consolidated FDI Policy and transfer does not attract the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI/RBI.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

The Equity Shares offered in the Issue have not been and will not be registered under the Securities Act, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold (i) within the United States to persons reasonably believed to be “qualified institutional investors” (as defined in Rule 144A under the Securities Act) pursuant to Rule 144A under the Securities Act or other applicable exemption under the Securities Act and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and the applicable laws of the jurisdictions where such offers and sales occur.

The above information is given for the benefit of the Applicants. Our Company and the LM’s are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them.



SECTION IX-MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Table F in Schedule I of the Companies Act, 2013 and the SEBI Regulations, the main provisions of the Articles of Association of our Company are detailed below:

1. (i) The Authorized Share Capital of the Company shall be as laid down in Memorandum of Association of the Company.

(ii) Subject to the provisions of the Companies Act 2013 and the applicable Rules made thereunder, the Company / Board shall have power to issue / allot shares, whether on preferential basis or otherwise, from time to time and the shares shall be under the control of the Directors who may allot or otherwise dispose off the same to such persons, on such terms and conditions and at such times as the Directors think fit.
2. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided:—
 - (a) One certificate for all his shares without payment of any charges; or
 - (b) Several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.
(ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.

(iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
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 company may issue new share certificates pursuant to consolidation or sub division of share certificate(s) upon written request received from shareholder together with production and surrender of respective original share certificate(s). Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

(iii) The provisions of Articles (5) and (6) shall mutatis mutandis apply to debentures of the company.
4. Except as required by law, no person shall be recognized by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
5. (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent. or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.



(ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.

(iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

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 at least one-third of the issued 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 shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

(ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

(iii) The fully paid shares shall be free from all lien and that in the case of partly paid shares the Company's lien shall be restricted to monies called or payable at a fixed time in respect of such shares.

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 a sum in respect of which the lien exists is presently payable; or
- (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

11. (i) To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof.

(ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

(iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

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, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

Calls on shares

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.

(iv) The option or right to make call on shares shall not be given to any person except with the sanction of the Company in General Meetings. That is, it may delegate power to make calls on shares subject to approval of the shareholders in a general meeting of the company.

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 by installments.

15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

16. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. Per annum or at such lower rate, if any, as the Board may determine.

(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.

17. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

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 Board and the member paying the sum in advance but shall not confer a right to dividend or to participate in profits.

Transfer of shares

19. (i) The Company shall use a Common form of transfer. The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.
- (ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
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 a fully paid share, to a person of whom they do not approve; or
- (b) any transfer of shares on which the company has a lien.
21. The Board may decline to recognize any instrument of transfer unless—
- (a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;
- (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
- (c) the instrument of transfer is in respect of only one class of shares.
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 may from time to time determine:
- Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.
23. Subject to the provisions of Section 59 of Companies Act, 2013, the Board may decline to register any transfer of Shares on such grounds as it think fit in the benefit of the company (notwithstanding that the proposed transferee be already a Member), but in such case it shall, within two (2) months from the date the instrument of transfer was lodged with the Company, send to the transferee and the transferor notice of the refusal to register such transfer giving reasons for such refusal. Provided that registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.

Transmission of Shares

24. (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognized by the company as having any title to his interest in the shares.
- (ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
25. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—
- (a) to be registered himself as holder of the share; or

(b) to make such transfer of the share as the deceased or insolvent member could have made.

(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

26. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.

(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

27. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

Forfeiture of Shares

28. If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.

29. The notice aforesaid shall—

(a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

(b) State that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

30. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

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 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 the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.
- (ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of.
- (iii) The transferee shall thereupon be registered as the holder of the share; and
- (iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
34. The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

Alteration of Capital

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. The Authorised Share Capital shall be as per the clause V of Memorandum of Association of the company.
36. Subject to the provisions of section 61, the company may, by ordinary resolution,—
- (a) increase its authorized share capital by such amount as it thinks expedient.
- (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (c) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
- (d) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
- (e) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.
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 regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:
- Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.
- (b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
- (c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.

38. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—
- (a) its share capital;
 - (b) any capital redemption reserve account; or
 - (c) any share premium account.

Capitalisation of profits

39. (i) The company in general meeting may, upon the recommendation of the Board resolve—
- (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the profit and loss account, Securities Premium Accounts or otherwise available for distribution; and
 - (b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—
- A. paying up any amounts for the time being unpaid on any shares held by such members respectively;
 - B. paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
 - C. partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);
 - D. A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;
 - E. The Board shall give effect to the resolution passed by the company in pursuance of this regulation.
40. (i) whenever such a resolution as aforesaid shall have been passed, the Board shall—
- a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
 - b) Generally do all acts and things required to give effect thereto.
- (ii) The Board shall have power—
- a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable fractions; and
 - b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;
- (iii) Any agreement made under such authority shall be effective and binding on such members.

Dematerialisation of Securities

41. (i) For the purpose of this Article:-

"Beneficial Owner": Beneficial Owner shall have the meaning assigned thereto in section 2(1)(a) of the Depositories Act, 1996.

"Depositories Act": Depositories Act shall mean the Depositories Act, 1996 and includes any statutory modification or re-enactment thereof for the time being in force.

"Depository": Depository shall mean a Depository as defined in section 2(1)(e) of the Depositories Act, 1996.

"Member": Member shall mean a duly registered holder from time to time of the security of the company and includes every person whose name is entered as beneficial owner in the records of the Depository.

"Security": Security shall mean such security as may be specified by SEBI.

(ii) "**Dematerialisation of Securities**": Notwithstanding anything on the contrary contained in this Article, the company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form and further to rematerialise the securities held on depository pursuant to the Depositories Act, 1996 or any amendment thereof.

(iii) "**Option to hold securities in physical form or with depository**": Every person holding securities of the company through allotment or otherwise shall have the option to receive and hold the same in the dematerialised form with a depository.

(iv) "**Beneficial Owner may opt out of a Depository**": Every person holding securities of the company with a depository, being the beneficial owner thereof, may at any time opt out of the depository in the manner provided under the provisions of the Depositories Act and the Rules, if any, prescribed there under and on fulfilment of the conditions prescribed by the company from time to time, company shall issue the relevant security certificates to the beneficial owner thereof.

(v) "**Securities in Depositories to be in fungible form**": All securities held by a depository shall be dematerialised and shall be in fungible form. Nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372A of the Companies Act, shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.

(vi) "**Rights of depository and beneficial owners**": A depository shall be deemed to be the registered owner for the purposes of affecting the transfer of ownership of securities on behalf of the beneficial owners and shall not have any voting rights or any other rights in respect of the securities held by it.

(vii) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all rights and benefits and be subject to all the liabilities in respect of his/her securities, which are held by a depository.

(viii) "**Transfer of securities**": Transfer of security held in a depository will be governed by the provisions of the Depository Act, 1996. Nothing contained in Section 56 of the Companies Act, 2013 or these Articles shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.

(ix) "**Register and Index of beneficial owners**": The Register and Index of beneficial owners maintained by a depository under the Depositories Act, 1996 shall be deemed to be the Register and Index of Members and Security holders for the purpose of these Articles.

- (x) **"Other matters"**: Notwithstanding anything contained in these Articles, the provision of Depositories Act, 1996 relating to dematerialisation of securities including any modification(s) or re-enactment thereof and Rules/Regulations made there under shall prevail accordingly.
- (xi) Notwithstanding anything contained in the Act or the Articles, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the company by means of electronic mode or by delivery of floppies or disks.

Nomination

42. Notwithstanding anything contained in Articles, every holder of shares(s) or debenture(s) of the Company may, at any time, nominate, in the prescribed manner, a person to whom these share(s) shall vest in the event of his death and the provisions of Section 109A and Section 109B of the Companies Act, 1956 shall apply in respect of such nomination.

The provisions of this Article shall apply mutatis mutandis to a depository of money with the Company as per the provisions of the Act.

Buy-Back of Shares

43. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

General Meetings

44. All general meetings other than Annual General Meeting shall be called extraordinary general meeting.
45. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.
- (ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

Proceedings at General Meetings

46. (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.
- (ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.
47. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
48. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.
49. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.



Adjournment of Meeting

50. (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
- (ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
- (iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Voting Rights

51. Subject to any rights or restrictions for the time being attached to any class or classes of shares,—
- (a) on a show of hands, every member present in person shall have one vote; and
- (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.
52. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
53. (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
- (ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
54. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
55. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
56. 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.
57. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
- (ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

Proxy

58. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
59. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

60. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

Board of Directors

61. The minimum number of Directors shall be 3 and maximum number of directors shall be 15.

The First Directors of the Company are:

I. KUNAL GANDHI

II. KISHOR GANDHI

62. (i) Subject to the provisions of the Act, the Company may pay any remuneration, as determined by the Board of Directors / General Meeting to all or any of its Directors for the services rendered by them / him in day to day management of the affairs of the company or any other type of services, whether professional in nature or not, for any of the purposes of the company, either by a fixed sum on monthly or annual basis and / or perquisites and / or a percentage of the profits or otherwise as may be determined by the Board or the members in General Meeting.

The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

(ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—

(a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or

(b) in connection with the business of the company.

63. The Board may pay all expenses incurred in getting up and registering the company.
64. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.
65. 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.
66. 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.
67. (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.



(ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

Proceedings of the Board

- 68.** (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
- (ii) Subject to the Articles herein, a director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
- (iii) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
- (iv) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.
- 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 present may choose one of their number 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.
- 72.** (i) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
- 73.** A committee may elect a Chairperson of its meetings.
- 74.** If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
- 75.** (i) A committee may meet and adjourn as it thinks fit.
- (ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.
- 76.** All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
- 77.** Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.



Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer

- 78.** 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.
- 79.** A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

Managing Director

- 80.** The business of the Company may be carried on by the Managing Director(s) who may be appointed by the Board of Directors / members in their General Meeting, from time to time who shall fix the terms, qualifications, remuneration, duties, authorities and powers. The Board may from time to time and subject to the provisions of the Act delegate to the Managing Director(s) such of their powers and duties and subject to such limitations and conditions as they may deem fit. The Board may from time to time, revoke, withdraw, alter or vary all or any of the powers conferred on him or dismiss him from office and appoint another in his place.
- 81.** Subject to the provisions of section 179 and 180 of the Companies Act, 2013, the Managing Director of the Company, if any, shall be empowered to carry on the day to day business affairs of the Company. He shall have the general control, management and superintendence of the business of the Company with power to appoint and to dismiss employees and to enter into contracts on behalf of the Company in the ordinary course of business and to do and perform all other acts, deeds and things which in the ordinary course of business may be considered necessary/proper or in the interest of the Company.

The Seal

- 82.** (i) The Board shall provide for the safe custody of the seal.
- (ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

Dividends and Reserve

- 83.** The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
- 84.** 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.
- 85.** (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, thinks fit.

(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

86. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

87. 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.

88. (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent

89. 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.

90. 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.

91. No dividend shall bear interest against the company.

92. No unclaimed Dividend shall be forfeited before the claim becomes barred by law, and unclaimed Dividends shall be dealt with in accordance with the applicable provisions of the Act

Accounts

93. (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

94. If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.



-
95. 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.
96. 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

97. 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 X-OTHER INFORMATION

MATERIAL CONTRACTS AND MATERIAL DOCUMENTS

The copies of the following contracts which have been entered or are to be entered into by the Company (not being contracts entered into in the ordinary course of business carried on by the Company or contracts entered into more than two years before the date of this Draft Prospectus) which are or may be deemed material have been attached to the copy of the Prospectus delivered to the RoC for registration. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from Application/Issue Opening Date until the Application/Issue Closing Date.

A. Material Contracts

1. Memorandum of Understanding dated February 09, 2019 between our Company, the Selling Shareholder and the Lead Manager.
2. Memorandum of Understanding dated February 12, 2019 between our Company, the Selling Shareholder and the Registrar to the Issue.
3. Escrow Agreement dated [●] between our Company, the Lead Manager, Banker to the Issue, Sponsor Bank and the Registrar to the Issue.
4. Market Making Agreement dated February 09, 2019 between our Company, the Lead Manager and Market Maker.
5. Underwriting Agreement dated February 09, 2019 between our Company, the Selling Shareholder, the Lead Manager and Market Maker.
6. Share Escrow Agreement dated [●] between the Selling Shareholder, our Company, the Lead Manager and the Share Escrow Agent.
7. Tripartite agreement between the NSDL, our Company and the Registrar dated February 01, 2019.
8. Tripartite agreement between the CDSL, our Company and the Registrar dated February 11, 2019.

B. Material Documents

1. Certified true copies of the Memorandum and Articles of Association of our Company, as amended from time to time.
2. Copy of Certificates of Incorporation dated October 09, 2014 of Pentech Metals Limited and Fresh certificate of incorporation dated February 06, 2019 consequent upon conversion from private company to public company.
3. Resolution of the Board of Directors meeting dated February 06, 2019 authorizing the Issue.
4. Shareholders' resolution passed at the EGM dated February 08, 2019 authorizing the Issue.
5. Auditor's report for Restated Financials dated February 18, 2019 included in this Draft Prospectus.
6. The Statement of Tax Benefits dated February 18, 2019 from our Statutory Auditors.
7. Consent of our Directors, the Selling Shareholder, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor, Lead Manager, Legal Advisor to the Issue, Registrar to the Issue, Banker



to the Issue & Sponsor Bank*, Banker to the Company*, Market Maker and Underwriters as referred to in their specific capacities.

**Will obtain prior to filing of Prospectus with RoC.*

8. Due Diligence Certificate(s) dated [●] of the Lead Manager to be submitted to SEBI along with the filing of the Prospectus.
9. Approval from BSE vide letter dated [●] to use the name of BSE in this Issue Document for listing of Equity Shares on the SME Platform of the BSE.

Any of the contracts or documents mentioned in this Draft Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.



DECLARATION

We, hereby declare that, all the relevant provisions of the Companies Act, 2013 and the Guidelines issued by the Government of India or the Regulations or Guidelines issued by the Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in the Draft Prospectus is contrary to the provisions of Companies Act, 2013, the Securities Contract (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as Amended or Rules made there under or Guidelines / Regulations issued, as the case may be. We further certify that all the disclosures and statements made in the Draft Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY:

Mrs. Tina Gandhi
Chairman & Managing Director

Mr. Sapan Kumar Paikray
Whole-time Director

Mr. Girish Sangani
Non Executive Director

Mr. Amit Sheth
Non-Executive Independent Director

Mr. Vishal Mehta
Non-Executive Independent Director

SIGNED BY THE CHIEF FINANCIAL OFFICER & COMPANY SECRETARY AND COMPLIANCE OFFICER

Mr. Nikhil Chaudhari
Chief Financial Officer

Ms. Surabhi Agrawal
Company Secretary and Compliance Officer

Date: February 20, 2019
Place: Mumbai



DECLARATION

The undersigned Selling Shareholder hereby certifies that all statements and undertakings made in this Draft Prospectus about or in relation to himself and the Equity Shares being offered by her in the Issue are true and correct, provided however, that the undersigned Selling Shareholder assumes no responsibility for any of the statements or undertakings made by the Company or any expert or any other person(s) in this Draft Prospectus.

SIGNED BY THE SELLING SHAREHOLDER

Mrs. Tina Gandhi