



MEGASTAR FOODS LIMITED

Corporate Identity Number: - U15311CH2011PLC033393

Our Company was originally incorporated on November 28, 2011 as “Megastar Foods Private Limited” vide Registration no. 2011-12/033393 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Punjab and Chandigarh. Further, our Company was converted into Public Limited Company and consequently name of company was changed from “Megastar Foods Private Limited” to “Megastar Foods Limited” vide Special resolution passed by the Shareholders at the Extra-Ordinary General Meeting held on March 09, 2018 and a fresh certificate of incorporation dated March 16, 2018 issued by the Registrar of Companies, Chandigarh. For further details, please refer to chapter titled “History and Certain Corporate Matters” beginning on page 104 of this Prospectus.

Registered Office: Plot No. 807, Industrial Area, Phase-II, Chandigarh-160102, India; **Tel No:** +91-0172-5005024

Corporate Office: Kurali-Ropar Road, Village - Solkhian, Dist. Roopnagar -140108, Punjab, India; **Tel No:** +91-01881-240401

E-mail: info@megastarfoods.com, **Website:** www.megastarfoods.com

CONTACT PERSON: MS. NEHARIKA SODHI, (COMPANY SECRETARY & COMPLIANCE OFFICER); **TEL NO:** +91-01881-240401; **E-Mail:** cs@megastarfoods.com

PROMOTERS OF OUR COMPANY: MR. VIKAS GOEL AND MR. VIKAS GUPTA

THE ISSUE

INITIAL PUBLIC ISSUE OF 26,80,000 EQUITY SHARES OF FACE VALUE OF ₹10 EACH (“EQUITY SHARES”) OF MEGASTAR FOODS LIMITED (“OUR COMPANY” OR “ISSUER”) FOR CASH AT A PRICE OF ₹ 30.00 PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ 20.00 PER EQUITY SHARE) (“ISSUE PRICE”) AGGREGATING TO ₹ 804.00 LAKHS (“ISSUE”) OF WHICH 1,36,000 EQUITY SHARES OF FACE VALUE OF ₹10.00 EACH FOR A CASH PRICE OF ₹ 30.00 PER EQUITY SHARE, AGGREGATING TO ₹ 40.80 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER (“MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 25,44,000 EQUITY SHARES OF FACE VALUE OF ₹ 10.00 EACH AT AN ISSUE PRICE OF ₹ 30.00 PER EQUITY SHARE AGGREGATING TO ₹ 763.20 LAKHS (IS HEREINAFTER REFERRED TO AS THE “NET ISSUE”). THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 27.06% AND 25.69%, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. FOR FURTHER DETAILS, PLEASE REFER TO SECTION TITLED “TERMS OF THE ISSUE” BEGINNING ON PAGE 194 OF THIS PROSPECTUS.

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10.00 EACH AND THE ISSUE PRICE IS ₹ 30.00. THE ISSUE PRICE IS 3.00 TIMES OF THE FACE VALUE.

THIS ISSUE IS BEING MADE IN TERMS OF CHAPTER XB OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 (THE “SEBI ICDR REGULATIONS”), AS AMENDED. THIS ISSUE IS A FIXED PRICE ISSUE AND ALLOCATION IN THE NET ISSUE TO THE PUBLIC WILL BE MADE IN TERMS OF REGULATION 43(4) OF THE SEBI (ICDR) REGULATIONS, 2009, AS AMENDED. FOR FURTHER DETAILS, PLEASE REFER TO SECTION TITLED “ISSUE PROCEDURE” BEGINNING ON PAGE 203 OF THIS PROSPECTUS.

All the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment providing details about the bank account which will be blocked by the Self Certified Syndicate Banks (“SCSBs”) as per the SEBI circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015. For further details, please refer to section titled “Issue Procedure” beginning on page 203 of this Prospectus.

ELIGIBLE INVESTORS

For details in relation to Eligible Investors, please refer to section titled “Issue Procedure” beginning on page 203 of this Prospectus.

RISK IN RELATION TO THE FIRST ISSUE

This being the first public issue of the Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares of the Company is ₹ 10.00 per equity share and the Issue Price is 3.00 times of the face value. The Issue Price (will be determined and justified by our Company in consultation with the Lead Manager as stated under the paragraph “Basis for Issue Price” on page 75 of this Prospectus) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares of our Company or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the “Risk Factors” carefully before taking an investment decision in this 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 offered 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 Prospectus. **Specific attention of the investors is invited to the section titled “Risk Factors” beginning on page 16 of this Prospectus.**

COMPANY’S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares offered through this Prospectus are proposed to be listed on the SME Platform of BSE Limited (“BSE SME”). Our Company has received an approval letter dated May 04, 2018 from BSE for using its name in this offer document for listing of our shares on the SME Platform of BSE Limited (“BSE SME”). For the purpose of this Issue, the Designated Stock Exchange will be the BSE Limited.

LEAD MANAGER TO THE ISSUE



SWASTIKA INVESTMART LIMITED

305, Madhuban Building, Cochin Street,
S.B.S. Road, Fort, Mumbai, Maharashtra – 400 001.
Tel No.: +91-22-2265 5565

Fax No.: +91-22-664 4300

Email: merchantbanking@swastika.co.in

Investor Grievance Email: investorgrievance@swastika.co.in

Website: www.swastika.co.in

Contact Person: Mr. Mohit R. Goyal

SEBI Regn. No.: INM000012102

REGISTRAR TO THE ISSUE



SKYLINE FINANCIAL SERVICES PRIVATE LIMITED

D-153A, 1st Floor, Okhla Industrial Area Phase-I,
New Delhi – 110020

Tel No.: +91 11 64732681-88

Fax No.: +91 11 26812682

Email: viren@skylinerta.com;

Investor Grievance Email: grievances@skylinerta.com

Website: www.skylinerta.com

Contact Person: Mr. Virender Rana

SEBI Regn. No.: INR000003241

ISSUE PROGRAMME

ISSUE OPENS ON: MONDAY, MAY 14, 2018

ISSUE CLOSES ON: WEDNESDAY, MAY 16, 2018

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rule, guideline or policy shall be to such legislation, act, regulation, rule, guideline or policy, as amended, supplemented or re-enacted from time to time.

The words and expressions used in this Prospectus but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made there under.

Notwithstanding the foregoing, terms used in of the sections “Statement of Tax Benefits”, “Financial Information of the Company” and “Main Provisions of Articles of Association” on pages 78, 128 and 245, respectively, shall have the meaning ascribed to such terms in such sections

General Terms

Term	Description
“MFL”, “the Company”, “our Company” and Megastar Foods Limited	Megastar Foods Limited, a company incorporated in India under the Companies Act 1956 having its Registered office at Plot No. 807, Industrial Area, Phase-II, Chandigarh-160102, India.
“we”, “us” and “our”	Unless the context otherwise indicates or implies, refers to our Company
“you”, “your” or “yours”	Prospective investors in this Issue

Company related terms

Term	Description
AOA / Articles / Articles of Association	Articles of Association of Megastar Foods Limited as amended from time to time.
Auditors/ Statutory Auditors	The Auditors of Megastar Foods Limited being M/s Avnish Sharma & Associates, Chartered Accountants.
Audit Committee	The Committee of the Board of Directors constituted as the Company’s Audit Committee in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
Bankers to the Company	The Union Bank of India
Board of Directors / the Board / our Board	The Board of Directors of our Company, including all duly constituted Committees thereof. For further details of our Directors, please refer to section titled “Our Management” beginning on page 108 Of this Prospectus.
CIN	Corporate Identification Number.
Chief Financial Officer	The Chief financial Officer of our Company being Mr. Vijay Sharma
Companies Act / Act	The Companies Act, 2013 and amendments thereto. The Companies Act, 1956, to the extent of such of the provisions that are in force.
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company being Ms. Neharika Sodhi
Corporate Social Responsibility (CSR) Committee	The Committee of the Board of Directors constituted as the Company’s Corporate Social Responsibility (CSR) Committee in accordance with Section 135 of the Companies Act, 2013.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Depositories	National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
DIN	Directors Identification Number.
Director(s) / our Directors	The Director(s) of our Company, unless otherwise specified.
Equity Shares	Equity Shares of the Company of Face Value of Rs.10/- each unless otherwise specified in the context thereof.

Equity Shareholders	Persons/ Entities holding Equity Shares of Our Company.
Executive Directors	Executive Directors are the Managing Director & Whole Time Directors of our Company.
Group Companies	The word “group companies”, wherever they occur, shall include such companies as covered under the applicable accounting standards and also other companies as considered material by the Board of the issuer as disclosed in “Our Group Company” promoted by the Promoters on page 126 of this Prospectus.
HUF	Hindu Undivided Family.
IBC	The Insolvency and Bankruptcy Code, 2016
IFRS	International Financial Reporting Standards
Independent Director	A non-executive & Independent Director as per the Companies Act, 2013 and the Listing Regulations.
Indian GAAP	Generally Accepted Accounting Principles in India.
ISIN	International Securities Identification Number. In this case being – INE00EM01016
IT Act	The Income Tax Act, 1961 as amended till date
Key Management Personnel/ KMP	Key Management Personnel of our Company in terms of the SEBI Regulations and the Companies Act, 2013. For details, see section entitled “Our Management” on page 108 of this Prospectus.
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on April 04, 2018, in accordance with the requirements of the SEBI (ICDR) Regulations
MOA / Memorandum / Memorandum of Association	Memorandum of Association of Megastar Foods Limited as amended from time to time.
Manufacturing Unit/ Factory/ Corporate Office	Kurali-Ropar Road, Village-Solkhian-140108, Dist. Roopnagar, Punjab, India
Non-Residents	A person resident outside India, as defined under FEMA Regulations, 2000
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board constituted in accordance with the Companies Act, 2013 and the Listing Regulations.
Non-Executive Director	A Director not being an Executive Director or an Independent Director
NRIs / Non-Resident Indians	A person resident outside India, as defined under FEMA Regulation and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.
Peer Review Auditor	Independent Auditor having a valid Peer Review certificate in our case being M/s Mistry and Shah, Chartered Accountants.
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Promoters	Shall mean promoters of our Company i.e. Mr. Vikas Goel and Vikas Gupta. For further details, please refer to section titled “Our Promoters and Promoter Group” beginning on page 122 of this Prospectus.
Promoter Group	Includes such Persons and entities constituting our promoter group covered under Regulation 2(1) (zb) of the SEBI (ICDR) Regulations as enlisted in the section titled “Our Promoter and Promoter Group” beginning on page 122 of this Prospectus.
RBI Act	The Reserve Bank of India Act, 1934 as amended from time to time.
Registered Office of our Company	Plot No. 807, Industrial Area, Phase-II, Chandigarh-160102, India.
Restated Financial Information	The restated audited financial information of the Company, which comprises of the restated audited balance sheet, the restated audited profit and loss information and restated audited cash flow information, as at and for the stub period ended December 31, 2017 and years ended March 31, 2013, 2014, 2015, 2016 and 2017, together with the annexure and notes thereto.
Reserve Bank of India / RBI	Reserve Bank of India constituted under the RBI Act.
RoC/ Registrar of Companies	Registrar of Companies, Chandigarh
SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992.
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time.
SEBI (ICDR) Regulations /ICDR	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 issued by SEBI on

Regulation/ Regulation	August 26, 2009, as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Takeover Regulations or SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time.
SEBI (Venture Capital) Regulations	Securities Exchange Board of India (Venture Capital) Regulations, 1996 as amended from time to time.
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Listing Regulations, 2015/ SEBI Listing Regulations/ Listing Regulations/ SEBI (LODR)	The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
Shareholders	Shareholders of our Company
SICA	Sick Industrial Companies (Special Provisions) Act, 1985.
Stock Exchange	Unless the context requires otherwise, refers to, BSE Limited
Sub- Account	Sub- accounts registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.
Subscriber to MOA/Initial Promoters	Initial Subscriber to MOA & AOA being Mr. Vikas Gupta, Mr. Satpal Gupta, Mrs. Shivani Gupta, Mr. Vikas Goel, Mr. Pankaj Goyal, Mr. Sanjay Verma, Mr. Aniket Verma and Mr. Abhishek Verma.
Stakeholders Relationship Committee	Stakeholder's relationship committee of our Company constituted in accordance with Regulation 20 of the SEBI (LODR) Regulations and Companies Act, 2013.
Warehouse	Ward No.16 (Old Ward No. 2), Anaj Mandi, Kurali, Punjab, India
Wilful Defaulter(s)	Wilful defaulter as defined under Regulation 2(zn) of the SEBI Regulations

ISSUE RELATED TERMS

Terms	Description
Allotment/Allot/Allotted	Unless the context otherwise requires, the issue and allotment of Equity Shares, pursuant to the Issue to the successful applicants.
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application.
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 (s)	The successful applicant to whom the Equity Shares are being / have been issued.
Applicant/ Investor	Any prospective investor who makes an application for Equity Shares in terms of this Prospectus.
Application Amount	The amount at which the Applicant makes an application for the Equity Shares of our Company in terms of Prospectus.
Application Form	The form, whether physical or electronic, used by an Applicant to make an application, which will be considered as the application for Allotment for purposes of this Prospectus.
ASBA Account	Account maintained by the ASBA Applicant/Investor with an SCSB which will be blocked by such SCSB to the extent of the Application Amount of the ASBA Applicant/Investor.
ASBA Application Location (s)/ Specified Cities	Cities as specified in the SEBI Circular No. CIR/CFD/DIL/1/2011 dated April 29, 2011, namely, Ahmedabad, Bangalore, Baroda (Vadodara), Chennai, Delhi, Hyderabad, Jaipur, Kolkata, Mumbai, Pune, Rajkot and Surat
Bankers to the Issue	Banks which are clearing members and registered with SEBI as Bankers to an Issue and with whom the Public Issue Account will be opened, in this case being HDFC Bank Limited
Banker to the Issue Agreement	Agreement dated April 27, 2018 entered into amongst the Company, Lead Manager, the Registrar and the Banker of the Issue.
Basis of Allotment	The basis on which the Equity Shares will be Allotted, described in "Issue Procedure – Basis of Allotment" on page 234 of the Prospectus.
Broker Centers	Broker centers notified by the Stock Exchanges where investors can submit the Application

Terms	Description
	Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchange.
BSE	BSE Limited
Business Day	Monday to Friday (except public holidays).
CAN or Confirmation of Allocation Note	The Note or advice or intimation sent to each successful Applicant indicating the Equity which will be allotted, after approval of Basis of Allotment by the designated Stock Exchange.
Client Id	Client Identification Number maintained with one of the Depositories in relation to demat account
Collecting Depository Participants or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the LM, the Registrar to the Issue and the Stock Exchange.
Demographic Details	The demographic details of the Applicants such as their Address, PAN, name of the applicant father/husband, investor status, occupation and Bank Account details.
Depository / Depositories	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as amended from time to time, being NSDL and CDSL.
Designated Date	On the Designated Date, the amounts blocked by SCSBs are transferred from the ASBA Accounts to the Public Issue Account and/ or unblocked in terms of this Prospectus.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Application Form from the ASBA Applicant and a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognized-Intermediaries or at such other website as may be prescribed by SEBI from time to time
Designated CDP Locations	Such locations of the CDPs where Applicant 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 i.e. www.bseindia.com
Designated RTA Locations	Such locations of the RTAs where Applicant can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. www.bseindia.com
Designated Intermediaries/Collecting Agent	An SCSB's with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Stock Broker registered with recognized Stock Exchange, a Depository Participant, a registrar to an issue and share transfer agent (RTA) (whose names is mentioned on website of the stock exchange as eligible for this activity)
Designated Market Maker	Beeline Broking Limited
Designated Stock Exchange	BSE Limited (SME Exchange)
DP	Depository Participant
DP ID	Depository Participant's Identity.
Draft Prospectus	Draft prospectus dated April 26, 2018 issued in accordance with Section 23, 26 & 32 of the Companies Act, 2013.
Eligible NRI	A Non-Resident Indian in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom this Prospectus will constitute an invitation to subscribe for the Equity Shares.
Equity Shares	Equity Shares of our Company of face value ₹ 10.00 each
Electronic Transfer of Funds	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable.
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to purchase the Equity Shares Issued thereby and who have opened demat accounts with SEBI

Terms	Description
	registered qualified depository participants.
FII / Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First/ Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form.
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
FPI / Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered pursuant to the of Securities And Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended
General Information Document (GID)	The General Information Document for investing in public issues prepared and issued in accordance with the circulars (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 notified by the SEBI.
GIR Number	General Index Registry Number.
IPO	Initial Public Offering
Issue Agreement	The Agreement dated April 04, 2018 between our Company and LM
Issue Closing Date	The date after which the Lead Manager, Syndicate Member, Designated Branches of SCSBs and Registered Brokers will not accept any Application for this Issue, which shall be notified in a English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being May 16, 2018
Issue Opening Date	The date on which the Lead Manager, Syndicate Member, Designated Branches of SCSBs and Registered Brokers shall start accepting Application for this Issue, which shall be the date notified in an English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being May 14, 2018
Issue Price	The Price at which the Equity Shares are being issued by our Company under this Prospectus being ₹30/- per equity share.
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants can submit their Applications.
Issue Size	The Public Issue 26,80,000 Equity shares of ₹ 10/- each at issue price of ₹ 30/- per Equity share, including a premium of ₹ 20/- per equity share aggregating to ₹ 804.00 Lakhs.
Issue Proceeds	Proceeds to be raised by our Company through this Issue, for further details please refer chapter titled “Objects of the Issue” page 69 of the Prospectus
LM/Lead Manager	Swastika Investmart Limited
Market Maker	Member Brokers of BSE who are specifically registered as Market Makers with the BSE SME Platform. In our case, Beeline Broking Limited is the sole Market Maker
Market Making Agreement	The Market Making Agreement dated April 04, 2018 between our Company, Lead Manager and Market Maker.
Market Maker Reservation Portion	The reserved portion of 1,36,000 Equity Shares of ₹10 each at an Issue price of ₹ 30/- each aggregating to ₹ 40.80 Lakhs to be subscribed by Market Maker in this issue.
Mutual Funds	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of 25,44,000 equity Shares of ₹ 10 each at a price of ₹ 30 per Equity Share (the “Issue Price”), including a share premium of ₹ 20 per equity share aggregating to ₹ 763.20 Lakhs.
Non-Institutional Investors / Applicant	Investors other than Retail Individual Investors, NRIs and QIBs who apply for the Equity Shares of a value of more than ₹ 2,00,000/-
Other Investor	Investors other than Retail Individual Investors. 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.

Terms	Description
Overseas Corporate Body/ OCB	Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB's) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. OCBs are not allowed to invest in this Issue.
Prospectus	The prospectus, filed with the RoC in accordance with the provisions of Section 26 & 32 of the Companies Act, 2013.
Public Issue Account	Account opened with the Bankers to the Issue to receive monies from the SCSBs from the bank account of the ASBA Applicant, on the Designated Date.
Qualified Foreign Investor/ QFIs	Non-resident investors other than SEBI registered FIIs or sub-accountants or SEBI registered FCVIs who meet know your client requirements prescribed by SEBI.
Qualified Institutional Buyers/ QIBs	A Mutual Fund, Venture Capital Fund and Foreign Venture Capital Investor registered with the SEBI, a foreign institutional investor and sub-account (other than a sub-account which is a foreign corporate or foreign individual), registered with the SEBI; a public financial institution as defined in Section 2(72) of the Companies Act, 2013; a scheduled commercial bank; a multilateral and bilateral development financial institution; a state industrial development corporation; an insurance company registered with the Insurance Regulatory and Development Authority; a provident fund with minimum corpus of ₹ 25.00 Crore; a pension fund with minimum corpus of ₹ 25.00 Crore; National Investment Fund set up by resolution No. F. No. 2/3/2005 – DDII dated November 23, 2005 of the Government of India published in the Gazette of India, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India.
Registrar/ Registrar to the Issue/ RTA/ RTI	Registrar to the Issue being Skyline Financial Services Private Limited.
Registrar Agreement	The agreement dated April 04, 2018 entered into between our Company, and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion.
Reservations	SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009 as amended from time to time.
Retail Individual Investors	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than ₹ 2,00,000.
Registered Broker	Individuals or companies registered with SEBI as "Trading Members" (except Syndicate/Sub-Syndicate Members) who hold valid membership of either BSE or NSE having right to trade in stocks listed on Stock Exchanges, through which investors can buy or sell securities listed on stock exchanges, a list of which is available on http://www.bseindia.com/members/MembershipDirectory.aspx
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion.
Reservation Portion	The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI (ICDR) Regulations, 2009
Revision Form	The form used by the Applicants to modify the quantity of Equity Shares or the Application Amount in any of their Application Forms or any previous Revision Form(s)
Reservations	SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009 as amended from time to time.
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
SEBI SAST / SEBI (SAST) Regulations	SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended
Self-Certified Syndicate Bank(s) / SCSB(s)	Banks which are registered with SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 and offer services of ASBA, including blocking of bank account, a list of which is available http://www.sebi.gov.in/pmd/scsb.pdf

Terms	Description
SME Exchange	SME Platform of the BSE i.e. BSE SME
SME Platform	The SME Platform of BSE i.e. BSE SME for listing equity shares offered under Chapter X-B of the SEBI ICDR Regulation which was approved by SEBI as an SME Exchange on September 27, 2011
SEBI(PFUTP) Regulations/ PFUTP Regulations	SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003
Transaction Registration Slip/ TRS	The slip or document issued by the member(s) of the Syndicate to the Applicant as proof of registration of the Application.
Underwriters	The LM who has underwritten this Issue pursuant to the provisions of the SEBI (ICDR) Regulations and the Securities and Exchange Board of India (Underwriters) Regulations, 1993, as amended from time to time.
Underwriting Agreement	The Agreement dated April 04, 2018 entered between the Underwriters, LM and our Company.
U.S. Securities Act	U.S. Securities Act of 1933, as amended
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.
Working Day	Any day, other than Saturdays or Sundays, on which commercial banks in India are open for business, provided however, for the purpose of the time period between the Bid/Offer Opening Date and listing of the Equity Shares on the Stock Exchanges, “Working Days” shall mean all trading days excluding Sundays and bank holidays in India in accordance with the SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016

COMPANY AND INDUSTRY RELATED TERMS

Technical and Industry Related Terms

Term	Full Form
B2B	Business to Business
CAR	Corrective action report
CCP	Critical control point
CL	Critical limits
DECADES	10 years
EBITDA	Earnings before interest, tax, depreciation and amortization.
FDI	Foreign Direct Investment
FG	Finished goods
FMCG	Fast Moving Consumer Goods
FSA	Food safety audit
FSSAI	Food Safety and Standards Authority of India
FSTL	Food safety team leader
FSMS	Food safety management system
G	Gram
GDP	Gross Domestic Product
GLP	Good Laboratory Practices
GMP	Good Manufacturing Practices
GST	Goods and Services Tax
IMF	International Monetary Fund
Kg	Kilogram
MD	Metal detector
MG	Magnet
MT	Metric tons
NC	Non-conformity
NCR	Non-conformity report
PCQI	Preventive control qualified individual

PSUs	Public Sector Undertakings
PM	Packing material
PO	Purchase order
Q	Quintal
QI	Qualified individual
QMS	Quality management system
R&D	Research and Development
RM	Raw materials

ABBREVIATIONS

Abbreviation	Full Form
AS / Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
A/c	Account
AGM	Annual General Meeting
ASBA	Applications Supported by Blocked Amount
Amt	Amount
AIF	Alternative Investment Funds registered under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended.
AY	Assessment Year
AOA	Articles of Association
Approx	Approximately
B. A	Bachelor of Arts
BBA	Bachelor of Business Administration
B. Com	Bachelor of Commerce
B. E	Bachelor of Engineering
B. Sc	Bachelor of Science
B. Tech	Bachelor of Technology
Bn	Billion
BG/LC	Bank Guarantee / Letter of Credit
BIFR	Board for Industrial and Financial Reconstruction
BSE	BSE Limited (formerly known as the Bombay Stock Exchange Limited)
BSE SENSEX	Sensex in an index; market indicator of the position of stock that is listed in the BSE
CDSL	Central Depository Services (India) Limited
CAGR	Compounded Annual Growth Rate
CAN	Confirmation of Allocation Note
CA	Chartered Accountant
CB	Controlling Branch
CC	Cash Credit
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CS	Company Secretary
CS & CO	Company Secretary & Compliance Officer
CFO	Chief Financial Officer
CST	Central Sales Tax
CWA	Cost and Works Accountant
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce, Government of India
DP	Depository Participant
DP ID	Depository Participant's Identification Number
EBITDA	Earnings Before Interest, Taxes, Depreciation & Amortisation
ECS	Electronic Clearing System
ESIC	Employee's State Insurance Corporation

Abbreviation	Full Form
EPS	Earnings Per Share
EGM /EOGM	Extraordinary General Meeting
ESOP	Employee Stock Option Plan
EXIM/ EXIM Policy	Export – Import Policy
FCNR Account	Foreign Currency Non Resident Account
FIPB	Foreign Investment Promotion Board
FY / Fiscal/Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
FEMA	Foreign Exchange Management Act, 1999 as amended from time to time, and the regulations framed there under.
FCNR Account	Foreign Currency Non Resident Account
FBT	Fringe Benefit Tax
FDI	Foreign Direct Investment
FIs	Financial Institutions
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 Investor” means a person who satisfies the eligibility criteria prescribed under regulation 4 and has been registered under Chapter II of Securities And Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, which shall be deemed to be an intermediary in terms of the provisions of the SEBI Act, 1992.
FTA	Foreign Trade Agreement.
FVCI	Foreign Venture Capital Investors registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
FV	Face Value
GoI/Government	Government of India
GDP	Gross Domestic Product
GST	Goods and Service Tax
GVA	Gross Value Added
HUF	Hindu Undivided Family
ICAI	The Institute of Chartered Accountants of India
ICWAI	The Institute of Cost Accountants of India
IMF	International Monetary Fund
INR / ₹/ Rupees/Rs.	Indian Rupees, the legal currency of the Republic of India
IIP	Index of Industrial Production
IPO	Initial Public Offer
ICSI	The Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
HNI	High Net Worth Individual
i.e	That is
I.T. Act	Income Tax Act, 1961, as amended from time to time
IT Authorities	Income Tax Authorities
IT Rules	Income Tax Rules, 1962, as amended, except as stated otherwise
IRDA	Insurance Regulatory and Development Authority
KMP	Key Managerial Personnel
LM	Lead Manager
Ltd.	Limited
MAT	Minimum Alternate Tax
MoF	Ministry of Finance, Government of India
M-o-M	Month-On-Month
MOU	Memorandum of Understanding
M. A	Master of Arts
M. B. A	Master of Business Administration

Abbreviation	Full Form
M. Com	Master of Commerce
Mn	Million
M. E	Master of Engineering
MRP	Maximum Retail Price
M. Tech	Masters of Technology
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MAPIN	Market Participants and Investors Database
MSMEs	Micro, Small and medium Enterprises
NA	Not Applicable
Networth	The aggregate of paid up Share Capital and Share Premium account and Reserves and Surplus(Excluding revaluation reserves) as reduced by aggregate of Miscellaneous Expenditure(to the extent not written off) and debit balance of Profit & Loss Account
NEFT	National Electronic Funds Transfer
NECS	National Electronic Clearing System
NAV	Net Asset Value
NPV	Net Present Value
NRIs	Non-Resident Indians
NRE Account	Non-Resident External Account
NRO Account	Non-Resident Ordinary Account
NSE	National Stock Exchange of India Limited
NOC	No Objection Certificate
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
P.A.	Per Annum
PF	Provident Fund
PG	Post Graduate
PAC	Persons Acting in Concert
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
PLI	Postal Life Insurance
POA	Power of Attorney
PSU	Public Sector Undertaking(s)
Pvt.	Private
RBI	The Reserve Bank of India
ROE	Return on Equity
R&D	Research & Development
RONW	Return on Net Worth
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SME	Small and Medium Enterprises
STT	Securities Transaction Tax
Sec.	Section
SPV	Special Purpose Vehicle
TAN	Tax Deduction Account Number
TRS	Transaction Registration Slip
TIN	Taxpayers Identification Number
US/United States	United States of America
USD/ US\$/ \$	United States Dollar, the official currency of the Unites States of America
VCF / Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India

Abbreviation	Full Form
	(Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
VAT	Value Added Tax
w.e.f.	With effect from
YoY	Year over Year

The words and expressions used but not defined in this Prospectus will have the same meaning as assigned to such terms under the Companies Act, the Securities and Exchange Board of India Act, 1992 (the “SEBI Act”), the SCRA, the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing, terms in “Main Provisions of the Articles of Association”, “Statement of Tax Benefits”, “Industry Overview”, “Regulations and Policies”, “Financial Information of the Company”, “Outstanding Litigation and Material Developments” and “Part B” of “Issue Procedure”, will have the meaning ascribed to such terms in these respective sections.



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

Certain Conventions

All references in the Prospectus to “India” are to the Republic of India. All references in the Prospectus to the “U.S.”, “USA” or “United States” are to the United States of America.

In this Prospectus, the terms “we”, “us”, “our”, the “Company”, “our Company”, “Megastar Foods Limited”, “MFL”, and, unless the context otherwise indicates or implies, refers to Megastar Foods Limited. In this Prospectus, unless the context otherwise requires, all references to one gender also refers to another gender and the word “Lac / Lakh” means “one hundred thousand”, the word “million (mn)” means “Ten Lac / Lakh”, the word “Crore” means “ten million” and the word “billion (bn)” means “one hundred crore”. In this Prospectus, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off.

Use of Financial Data

Unless stated otherwise, throughout this Prospectus, all figures have been expressed in Rupees and Lakh. Unless stated otherwise, the financial data in the Prospectus is derived from our financial statements prepared and restated for the for the period ended December 31, 2017 and financial year ended 2017, 2016, 2015, 2014 and 2013 in accordance with Indian GAAP, the Companies Act and SEBI (ICDR) Regulations, 2009 included under Section titled “Financial Information of the Company” beginning on page 128 of this prospectus. Our Company does not have a subsidiary. Accordingly, financial information relating to us is presented on a Standalone basis. Our fiscal year commences on April 1 of every year and ends on March 31st of every next year.

There are significant differences between Indian GAAP, the International Financial Reporting Standards (“IFRS”) and the Generally Accepted Accounting Principles in the United States of America (“U.S. GAAP”). Accordingly, the degree to which the Indian GAAP financial statements included in this Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practice and Indian GAAP. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Prospectus should accordingly be limited. We have not attempted to explain those differences or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

Any percentage amounts, as set forth in “Risk Factors”, “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and elsewhere in the Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Review Auditor, set out in section titled “Financial Information of the Company” beginning on page 128 of this Prospectus.

For additional definitions used in this Prospectus, see the section “Definitions and Abbreviations” on page 01 of this Prospectus. In the section titled “Main Provisions of Articles of Association”, on page 245 of the Prospectus defined terms have the meaning given to such terms in the Articles of Association of our Company.

Use of Industry & Market Data

Unless stated otherwise, industry and market data and forecast used throughout the prospectus was obtained from internal Company reports, data, websites, Industry publications report as well as Government Publications. Industry publication data and website data generally state that the information contained therein has been obtained from sources believed to be reliable, but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

Although, we believe industry and market data used in the Prospectus is reliable, it has not been independently verified by us or the LM or any of their affiliates or advisors. Similarly, internal Company reports and data, while believed by us to be reliable, have not been verified by any independent source. There are no standard data gathering methodologies in the industry in which we conduct our business and methodologies and assumptions may vary widely among different market and industry sources.

In accordance with the SEBI (ICDR) Regulations, the section titled “Basis for Issue Price” on page 75 of the Prospectus includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we, nor the LM, have independently verified such information.



Currency of Financial Presentation and Exchange Rates

All references to "Rupees" or "INR" or "₹" are to Indian Rupees, the official currency of the Republic of India. Except where specified, including in the section titled "Industry Overview" throughout the Prospectus all figures have been expressed in thousands, Lakhs/Lacs, Million and Crores.

Any percentage amounts, as set forth in "Risk Factors", "Our Business", "Management's Discussion and Analysis of Financial Conditions and Results of Operation" on page 16, 88, & 159, in the Prospectus, unless otherwise indicated, have been calculated based on our restated respectively financial statement prepared in accordance with Indian GAAP.

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

FORWARD LOOKING STATEMENTS

This Prospectus includes certain “forward-looking statements”. We have included statements in the Prospectus which contain words or phrases such as “will”, “aim”, “is likely to result”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “project”, “should”, “will pursue” and similar expressions or variations of such expressions, that are “forward-looking statements”. Also, statements which describe our strategies, objectives, plans or goals are also forward looking statements.

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

1. General economic and business conditions in India;
2. Company’s ability to successfully implement its growth strategy and expansion plans, and to successfully launch;
3. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
4. Our failure to keep pace with rapid changes in technology;
5. Changes in laws and regulations relating to the sectors/areas in which we operate;
6. Our ability to effectively manage a variety of business, legal, regulatory, economic, social and political risks associated with our operations;
7. Increased competition in FMCG Industry;
8. Factors affecting FMCG sector;
9. Foreign Exchange Fluctuations;
10. Higher interest outgo on our loans;
11. Our ability to successfully implement our growth strategy and expansion plans;
12. Any adverse outcome in the legal proceedings in which we are involved;
13. Our ability to meet our capital expenditure & working capital expenditure requirements;
14. Our ability to attract and retain qualified personnel;
15. Conflict of Interest with affiliated companies, the promoter group and other related parties; and
16. General economic and business conditions in the markets in which we operate and in the local, regional, National and international economies;
17. Changes in political and social conditions in India, the monetary and interest rate policies of India and other countries;
18. Changes in government policies and regulatory actions that apply to or affect our business;
19. Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
20. The performance of the financial markets in India and globally;
21. The occurrence of natural disasters or calamities;
22. Other factors beyond our control;
23. Our ability to manage risks that arise from these factors.

For further discussion of factors that could cause our actual results to differ, see the Section titled “Risk Factors”; “Our Business” & and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 16, 88 & 159 respectively of the Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

There can be no assurance to investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

Neither our Company, our Directors, our Officers, Lead Manager and Underwriter nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements,



our Company, 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 permission by the Stock Exchange for the Equity Shares allotted pursuant to this Issue.

SECTION II: RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. To obtain a better understanding, you should read this section together with "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 88 and 159, respectively, as well as the other financial and statistical information contained in this Prospectus. The risks and uncertainties described in this section are not the only risks that we may face. Additional risks and uncertainties not known to us or that we currently believe to be immaterial may also have an adverse effect on our business, results of operations, financial condition and prospects.

If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our cash flows, business, financial condition and results of operations could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risks where the impact is not quantifiable and hence the same has not been disclosed in such risk factors. Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. Before making an investment decision, investors must rely on their own examination of the Issue and us.

This Prospectus contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Prospectus. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors below. However, there are risk factors the potential effects of which are not quantifiable and therefore no quantification has been provided with respect to such risk factors. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Issue, including the merits and the risks involved. You should not invest in this Issue unless you are prepared to accept the risk of losing all or part of your investment, and you should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares.

In this Prospectus, any discrepancies in any table between total and the sums of the amount listed are due to rounding off. Any percentage amounts, as set forth in "Risk Factors" on page 16 and "Management Discussion and Analysis of Financial Condition and Results of Operations" on page 159 respectively of this Prospectus unless otherwise indicated, has been calculated on the basis of the amount disclosed in the "Financial Information of the Company" prepared in accordance with the Indian Accounting Standards.

INTERNAL RISK FACTORS

- 1. There are outstanding legal proceedings involving our Company. Any adverse decision in such proceedings may have a material adverse effect on our business, results of operations and financial condition.***

We are involved in certain legal proceedings which are pending at different levels of adjudication before various courts, tribunals, enquiry officers, and appellate authorities.

We cannot provide assurance that these legal proceedings will be decided in our favor. Any adverse decisions in any of the proceedings may have a significant adverse effect on our business, results of operations, cash flows and financial condition. A summary of the pending civil and other proceedings involving the Company is provided below:

Litigation involving Our Company:

A. Cases against our Company

Nature of Cases	No of Outstanding Cases	Amount involved (In Lacs)
Criminal Complaints	--	--
Statutory/ Regulatory Authorities	--	--
Other Litigation	1	Not Ascertainable

B. Cases by our Company

Nature of Cases	No of Outstanding Cases	Amount involved (In Lacs)
Criminal Complaints	--	--
Statutory/ Regulatory Authorities	--	--
Other Litigation	8	131.87

The amounts claimed in these proceedings have been disclosed to the extent ascertainable and include amounts claimed jointly and severally. If any new developments arise, such as a change in Indian law or rulings against us by appellate courts or tribunals, we may need to make provisions in our financial statements that could increase our expenses and current liabilities. For further details of legal proceedings involving the Company, please see “Outstanding Litigation and Material Developments” beginning on page 172 of this Prospectus

2. We operate in a highly competitive industry. An inability to maintain our competitive position may adversely affect our business, prospects and future financial performance.

We operate in India’s food industry and face strong competition. Competitive factors in the food industry include product quality, price, and brand awareness among customer, nutritional content, product packaging and hygiene. Some of our competitors have been in their respective businesses longer than we have and may accordingly have substantially greater financial resources, wider distribution tie-ups, larger product portfolio, technology, research and development capability, and greater market penetration. They may also have the ability to spend more aggressively on marketing and distribution initiatives and may have more flexibility to respond to changing business and economic conditions than we do. Further, our competitors in certain regional markets may also benefit from raw material sources or manufacturing facilities that are closer to these markets. Our ability to compete largely depends upon our direct marketing initiatives and quality of our products.

We cannot assure you that our current or potential competitors will not provide products comparable or superior to those we provide or adapt more quickly than we do to evolving industry trends or changing market requirements, at prices equal to or lower than those of our products. Increased competition may result in our inability to differentiate our products from those of our competitors, which may lead to loss of market share. Accordingly, our failure to compete effectively with our competitors may have an adverse impact on our business, results of operations, financial condition and future prospects.

3. Any disruption in the supply chain could have an adverse impact on our business, financial condition, cash flows and results of operations.

Our ability to manufacture, transport, and sell our products is critical to our success. Any disputes regarding pricing or performance, could adversely affect our ability to supply products to our customers and could materially and adversely affect our product sales, financial condition, and results of operations. In addition, any damage or disruption to our supply chain, including transportation, due to weather, natural disaster, fire or explosion, terrorism, pandemics, strikes, government action, or other reasons beyond our control. The occurrence of any of these factors could result in a significant decrease in the sales volume of our products and therefore adversely affect our financial condition, cash flows and results of operations.

4. We have limited financial history and our prior period financial results may not accurately represent our future financial performance.

We have experienced significant growth in our limited operating history. Our Company commenced operations in year 2013-14. For the period ended December 31, 2017 our Company’s Total Income and Restated Profit after Tax were Rs. 7836.75 Lacs and Rs. 87.07 Lacs, respectively. For the year ended March 31, 2017, our Company’s Total Income and Restated Profit after Tax were Rs. 9776.25 Lacs and Rs. 105.86 Lacs, respectively as compared to our Company’s Total Income and Restated Profit after Tax was Rs. 7804.31 Lacs and Rs. 58.92 Lakhs respectively for the year ended March 31, 2016. Additionally our Company has incurred losses in the initial years i.e. 2014-15 and 2013-14 due to appropriations of funds and deferred tax liability. Our business prospects must be considered in light of the risks and uncertainties encountered by companies undergoing rapid growth in competitive markets. Although we have grown significantly our prior growth rates may not be sustainable or a good predictor of future operating results. This substantial growth has placed, and will continue to place, demands on our management and other resources and there is no assurance that these demands will be met successfully. We may not be able to increase revenue or maintain profitability on a quarterly or an annual basis. If this occurs, our results of operations and financial condition will be adversely affected. Our growth

exposes us to a wide range of increased risks. It will also place significant demands on our management, financial and other resources and will require us to continuously develop and improve our operational, financial and internal controls.


There can be no assurance that we will be able to successfully pursue our growth strategies, or that pursuing these strategies will provide us the anticipated benefits in terms of growth and profitability. Further, we may be unable to develop adequate systems, infrastructure and technologies, devote sufficient financial resources or develop and attract talent to manage our growth. Our inability to pursue our growth strategies successfully or at all, or an inability to manage our growth, may adversely affect our prospects.

5. *We require certain approvals or licenses in the ordinary course of business and the failure to renew, obtain or retain them in a timely manner, or at all, may adversely affect our operations.*

We require certain statutory and regulatory approvals, licenses, registrations and permissions, and applications need to be made at the appropriate stages for our business to operate. Although we believe that we have obtained required license for carrying our business activity. There can be no assurance that the relevant authorities will renew these approvals or licenses in a timely manner. As a result, we may not be able to execute our business plan as planned. An inability to obtain or maintain approvals or licenses required for our operations may adversely affect our operations. Government approvals, licenses, clearances and consents are often also subject to numerous conditions, some of which are onerous and may require significant expenditure. Also the name of Company is changed from Megastar Foods Private Limited to Megastar Foods Limited and we are awaiting for renewal of all licences issued to our Company. Any problem arises in renewal of the same will affect our business. Furthermore, approvals, licenses, clearances, and consents covering the same subject matter are often required at State Government levels. If we fail to comply, or a regulator claims that we have not complied, with these conditions, we may not be able to commence or continue with work or operate these projects. For further information on various approvals or licenses required in connection with our operations, please see the section titled “Government and other Approvals” on page 176 of this Prospectus.

6. *Our application for registration of our trademarks and wordmarks are objected. Such failure to protect our intellectual property rights could adversely affect our competitive position, business, financial condition and profitability.*

Our application for registrations of our trademarks i.e.  and wordmarks “STAR GOLD”, “STAR PRIDE” are objected.

Also our Logo of our Company i.e.  is not registered. The registration of any intellectual property right is a time-consuming process, and there can be no assurance that any such registration will be granted. For details please refer to the chapter “Government and other Approvals” on page 176 of this Prospectus. In the absence of such registration, competitors or other companies may challenge the validity or scope of our intellectual property. Unless our trademarks are registered, we may only get passing off relief for our Trademarks, if used by others, which could materially and adversely affect our business. Similarly, in case our trademarks and wordmarks is rejected or objected, this could adversely affect our competitive position, business, financial condition and profitability.

Further, if our unregistered trademarks are registered in favour of a third party, we may not be able to claim registered ownership of such trademarks, and consequently, we may be unable to seek remedies for infringement of those trademarks by third parties other than relief against passing off by other entities. Our inability to obtain or maintain registration may adversely affect our competitive business position.

7. *Our Company is eligible for tax benefit under GST Act, any withdrawal of such Tax Holiday under Chapter 11 of GST Rate & HSN Code for milling Industry products of the GST Act, 2017 may adversely affect our liquidity.*

Presently we operate in the field of flour wheat products which are non-branded and selling in the market without any brand. Our products covered under 1101 HSN code related to manufacturing or producing Wheat or meslin flour (other than those put up in unit container and bearing a registered brand name) which are Tax Free on total supply of products from our side under Chapter 11 of GST Rate & HSN Code for milling Industry products of the GST Act, 2017. In the event this tax holiday is withdrawn the Company shall be liable to pay GST tax as applicable in those years, which may have an effect on the profitability of the company. When these tax benefits expire or terminate, our tax expense is likely to materially increase thereby impacting our profitability. Our profitability will be affected to the extent that such benefits will not be available. Our profitability may be further affected if we are subject to any dispute with the tax authorities in relation to these benefits or in the event we are unable to comply with the conditions required to be complied with in order to avail ourselves of these benefits.

For further details of tax benefits available to our Company, please refer chapter titled “Statement of Tax Benefits” beginning on Page 78 of this Prospectus.

8. *Any shortfall in the supply of our raw materials or an increase in raw material costs or other input costs may adversely impact the pricing and supply of our products and have an adverse effect on our business.*

As a food processing Company, we are depended on Agriculture Industry for raw material. Agricultural industry is largely dependent on monsoon and favorable weather conditions. The main raw material for manufacturing of products is wheat, which are used to manufacturing our products i.e. Atta-wheat flour products, Maida-Fine wheat flour products, Suji/Rawa-Semolina, Chokar/Wheat Bran, Organic Atta, Organic whole Wheat flour and Organic wheat flour etc. which are subject to supply disruptions and price volatility caused by various factors, including commodity market fluctuations, the quality and availability of supply, changes in government programs and regulatory sanctions. Our suppliers may be unable to provide us with a sufficient quantity of our raw materials at a suitable price for us to meet the demand for our products. Additionally, we are majorly dependent on Food Corporation of India and local vendors, there is a risk that dependency on few suppliers could adversely impact our ability to source raw materials at a suitable price and meet our order requirements. Any increase in raw material prices will result in corresponding increases in our product costs.

9. *Our continued success is dependent on our Promoter, senior management and skilled manpower. Our inability to attract and retain key personnel or the loss of services of our Promoter or Managing Director may have an adverse effect on our business prospects.*

Our Promoters, Managing Director and senior management have significantly contributed to the growth of our business, and our future success is dependent on the continued services of our senior management team. Our Managing Director Mr. Vikas Goel and Mr. Vikas Gupta, Whole Time Director, has been employed with our Company since our incorporation and they are having experience of 25 years and 15 years respectively in Food Processing Industry which turn out beneficial for the Company. An inability to retain any key managerial personnel may have an adverse effect on our operations. Our ability to execute contracts and to obtain new clients also depends on our ability to attract, train, motivate and retain highly skilled professionals, particularly at managerial levels. We might face challenges in recruiting suitably skilled personnel, particularly as we continue to grow and diversify our operations. In the future, we may also not be unable to compete with other larger companies for suitably skilled personnel due to their ability to offer more competitive compensation and benefits. The loss of any of the members of our senior management team, our whole time directors or other key personnel or an inability on our part to manage the attrition levels; may materially and adversely impact our business, results of operations, financial condition and growth prospects.

The success of our business is also dependent upon our ability to hire, retain, and utilize qualified personnel and corporate management professionals who have the required experience and expertise. From time to time, it may be difficult to attract and retain qualified individuals with the requisite expertise and we may not be able to satisfy the demand from customers for our Products because of our inability to successfully hire and retain qualified personnel.

For further details of our Promoters and Management, please refer chapter titled “Our Promoter and Promoter Group” and “Our Management” beginning on Page 122 & 108 of this Prospectus.

10. *We have had certain inaccuracy in relation to regulatory filings to be made with the RoC and our company has made non-compliances of certain provision under applicable law.*

Our Company has in the past not complied with certain provisions of the Companies Act, 1956 and the Companies Act, 2013, For instance, the forms which was filed in registrar of Companies have some factual discrepancy and errors and also belatedly filed. Also our company has not filed some of forms relating to registering the resolutions in registrar of Companies in case of allotment of shares etc. Further our Company has taken loan from relative of Directors and also given loan to entity in which our directors are interested. Our company has also not complied with provisions of Companies Act related to regularization of director. Due to absence of professional guidance on the matter, we did not follow the prescribed procedures as laid down under the relevant sections of Companies Act.

Further our Company may have not complied with some Accounting Standard For instance, Accounting Standards 5, 15, 22. However, now the Company has made necessary provision for gratuity and has made necessary compliance in accordance with the Accounting Standards in the re-stated financial statements of the Company.

Although no show cause notice have been issued against the Company till date in respect of above, in the event of any cognizance being taken by the concerned authorities in respect of above, penal actions may be taken against the Company and its directors, in which event the financials of the Company and its directors may be affected.

11. We have a substantial amount of outstanding indebtedness, which requires significant cash flows to service and are subject to certain conditions and restrictions in terms of our financing arrangements, which restricts our ability to conduct our business and operations in the manner we desire.

As of December 31, 2017, our long term borrowings were ₹ 760.86 Lacs & short term borrowings were ₹ 1693.68 Lacs and we will continue to incur additional indebtedness in the future. Our level of indebtedness has important consequences to us, such as:

- increasing our vulnerability to general adverse economic, industry and competitive conditions;
- limiting our ability to borrow additional amounts in the future;
- affecting our capital adequacy requirements; and
- Increasing our finance costs.

In the event we breach any financial or other covenants contained in any of our financing arrangements or in the event we had breached any terms in the past which is noticed in the future, we may be required to immediately repay our borrowings either in whole or in part, together with any related costs. If the lenders of a material amount of the outstanding loans declare an event of default simultaneously, our Company may be unable to pay its debts when they fall due. For further details of our Company's borrowings, see "Statement of Financial Indebtedness" on page 157 of this Prospectus.

12. 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.

For details of our Products and raw material, please refer section titled "Our Business" beginning on Page 88 of this Prospectus.

13. Our top ten customers contribute approximately 61.67% of our revenues for the period ended December 31, 2017. Any loss of business from one or more of them may adversely affect our revenues and profitability.

Our top ten customers contribute approximately 61.67% of our revenues for the period ended December 31, 2017. Any decline in our Quality standards, growing competition and any change in the demand for our product by these customers may adversely affect our ability to retain them. We cannot assure that we shall generate the same quantum of business, or any business at all, from these customers, and loss of business from one or more of them may adversely affect our revenues and profitability. However, the composition and revenue generated from these customers might change as we continue to add new customers in normal course of business. We intend to retain our customers by offering quality products, cost effective and time delivery. This helps us in providing better value to each customer thereby increasing our engagement with our new and existing customer base that presents a substantial opportunity for growth.

For further of our ten top customers, please refer chapter titled "Management's Discussion & Analysis of Financial Conditions & Results of Operations" beginning on Page 159 of Prospectus.

14. If we are not successful in managing our growth, our business may be disrupted and our profitability may be reduced.

We have experienced sustainable growth in recent years and expect our businesses to continue to grow significantly. Our future growth is subject to risks arising from a rapid increase in volume, and inability to retain and recruit skilled staff. We may not grow at a rate comparable to our growth rate in the past, either in terms of income or profit.

Our future growth may place significant demands on our management and operations and require us to continuously evolve and improve our financial, operational and other internal controls within our Company. In particular, continued expansion may pose challenges in:

- maintaining high levels of quality control and cost effective manufacturing, and customer satisfaction;
- recruiting, training and retaining sufficient skilled management and technical personnel for our manufacturing process;
- developing and improving our internal administrative infrastructure, particularly our financial,
- operational, communications, internal control and other internal systems;
- making accurate assessments of the resources;
- adhering to the standards of health, safety and environment and quality and process execution to meet clients' expectations;
- strengthening internal control and ensuring compliance with legal and contractual obligations;
- Managing relationships with customers, suppliers and lenders.

If we are not successful in managing our growth, our business may be disrupted and profitability may be reduced. Our business, prospects, financial condition and results of operations may be adversely affected.

15. We may be subject to fine pursuant to delay in appointment of a whole-time Company secretary.

Pursuant to an increase in our paid-up capital in the year 2013-14, in terms of the Companies Act, 2013 we were required to appoint a whole-time company secretary. Although Company was in process of searching suitable candidate for the Post of Company Secretary but the same has been appointed in the year 2017 resulting in delay for the period. We cannot assure you that the statutory authority will not impose any penalty or take any action against us which may impact our results of operations and cash flows. Such non-compliance in the future may render us liable to statutory penalties.

16. We have experienced negative cash flows in the past. Any such negative cash flows in the future could affect our business, results of operations and prospects.

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

Particulars	For the Period ended December 31, 2017	For the year ended March 31,				
		2017	2016	2015	2014	2013
Cash flow from Operating Activities	19.32	268.15	(462.05)	(514.25)	(71.56)	(81.46)
Cash flow from Investing Activities	(119.19)	(113.42)	(157.22)	(33.02)	(791.37)	(144.85)
Cash flow from Financing Activities	145.14	(324.79)	759.21	559.82	890.22	227.54

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 affect our business and financial operations. For further please refer chapter titled "Financial Information of the company" beginning on Page 128 of this Prospectus.

17. The unsecured loan availed by our Company from Directors and Promoter group may be recalled at any given point of time.

Our Company has been availing unsecured loans from Directors and Promoter Group members from time to time. The total outstanding payable to them as on December 31, 2017 amounts to Rs. 152.70 Lacs. Although there are no terms and condition prescribed for repayment of unsecured loan from our directors and promoter group which can be recalled at any given point of time during ordinary course of business and thus may affect the business operations and financial performance of our Company.

For further details regarding loans availed by our Company, please refer "Statement of Financial Indebtedness" on page no. 157 of this Prospectus.

18. We do not have any long-term agreement or contract for supply of raw materials & consequently are exposed to price and supply fluctuations for our raw materials.

We are, to a major extent, dependent on external suppliers for our raw materials requirements and we do not have any long-term supply agreements or commitments in relation to the same or for any other raw materials used in our manufacturing process. Consequently, we are exposed to price and supply fluctuations in raw materials, and these fluctuations may adversely affect our ability to obtain orders and/or to execute them in a timely manner, which would have a material adverse effect on our business, results of operations and financial condition.

In case of non-availability of raw materials on favourable terms we may have to procure the same at the terms and conditions prevalent at that point. This will result in reducing our revenues by a considerable amount due to shortage of raw material and job worker or due to inability to procure the same. Further, unfavorable terms of procurement of raw materials may also force us to reduce the scale of our operations resulting in a down-sizing of our overall business. We may have to put on hold any expansion plans and our business will be adversely affected.

19. Stringent food safety, consumer goods, health and safety laws and regulations may result in increased liabilities and increased capital expenditures.

Our operations are subject to stringent health and safety laws as our products are for human consumption and are therefore subject to various industry specific regulations. We may also be subject to additional regulatory requirements due to changes in governmental policies. Further, we may also incur additional costs and liabilities related to compliance with these laws and regulations that are an inherent part of our business. We are subject to various central, state and local food safety, consumer goods, health and safety and other laws and regulations. These relate to various issues, including food safety and food ingredients requirements, and the investigation and remediation of contamination.

These laws and regulations are increasingly becoming stringent and may in the future create substantial compliance or remediation liabilities and costs. These laws may impose liability for non-compliance, regardless of fault. Other laws may require us to investigate and remediate contamination at our facilities and production processes. While we intend to comply with applicable regulatory requirements, it is possible that such compliance may prove restrictive, costly and onerous and an inability to comply with such regulatory requirement may attract penalty. For details see, “Government and Other Approvals” and “Regulations and Policies” beginning on pages 176 and 97, respectively of this Prospectus.

20. Our Promoter and Promoter Group members has provided personal guarantees and mortgage personal property for loans availed by our Company. Our business, financial condition, results of operations, cash flows and prospects may be adversely affected by the invocation of all or any personal guarantees provided by our Promoter and Promoter Group members.

Our Promoter and Promoter Group Members has provided personal guarantees and mortgage personal property to secure a significant portion of our existing borrowings, and may post listing continue to provide such guarantees and other security. In case of a default under our loan agreements, any of the personal guarantees and personal property provided by our Promoter and Promoter Group Members may be invoked, which could negatively impact the reputation of our Company. Also, we may face certain impediments in taking decisions in relation to our Company, which in turn would result in a material adverse effect on our financial condition, business, results of operations and prospects and would negatively impact our reputation. In addition, our Promoter and Promoter Group Members may be required to liquidate his shareholding in our Company to settle the claims of the lenders, thereby diluting his shareholding in our Company. We may also not be successful in procuring alternate guarantees satisfactory to the lenders, as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could affect our financial condition and cash flows. For further details regarding loans availed by our Company, please refer “Statement of Financial Indebtedness” on page no. 157 of this Prospectus.

21. We have entered into and may enter into related party transactions in the future also.

We have in the course of our business entered into, and will continue to enter into, transactions with related parties. Our Company has entered into several related party transactions with our Promoters, promoter group and relative of our Directors, including in relation to unsecured loans and interest on loan thereon etc. For more information regarding our related party transactions, see “Financial Information of the Company – Annexure VIII –Statement of Related Party Transactions” beginning on page 154 of this Prospectus. We cannot assure you that we will receive similar terms in our related party transactions in the future. Further we cannot assure you that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties and such transactions, individually or in the aggregate, will not have an adverse effect on our reputation, cash flows, business, results of operations and financial condition.

22. Any failure to comply with financial and other restrictive covenants imposed on us under our financing agreements may affect our operational flexibility, business, results of operations and prospects.

As on December 31, 2017, our total secured borrowings amounted to Rs. 1972.58 Lacs. Our leverage has several important consequences, including the following:

- A portion of our cash flow will be used towards repayment of debt, which will reduce the availability of cash to fund working capital requirements, capital expenditures and other general corporate purposes;
- Our borrowing cost and the existence of encumbrances on a significant portion of our immovable properties may constrain. In the event of enforcement of an event of default in connection with such secured borrowings (which is not waived or cured), our ability to continue to operate our business at such locations may be restricted;
- Fluctuations in interest rates may affect our cost of borrowing, as all or a substantial part of our borrowings is at floating rates of interest; and
- Our financing agreements require us to obtain the consent of, or to intimate, our lenders for certain actions including change in shareholding or directorship of our Company, drawdown of further loans, issuance of guarantees, and for certain corporate actions, including alterations to our Memorandum and Articles of Association. Our failure to comply with financial or restrictive covenants or periodic reporting requirements or to obtain our lenders' consent to take certain actions in a timely manner or at all may result in declaration of an event of default by any current or future lenders, which may accelerate repayment or increase applicable interest rates or trigger cross-default or cross-acceleration under other financing agreements.

The termination of, or declaration or enforcement of default under, any current or future financing agreement (if not waived or cured) may affect our ability to raise additional funds or renew maturing borrowings to finance our existing operations and pursue our growth initiatives and, therefore, have an effect on our business, results of operations and prospects.

For further details of our loans, Please refer chapter titled "Statement of Financial Indebtedness" beginning on Page 157 of this Prospectus

23. Failure to realize anticipated benefits from various initiatives introduced to enhance productivity and improve operating efficiencies may adversely affect our business, results of operations, cash flows and financial condition.

Our future success and profitability depend in part on our ability to reduce costs and improve efficiencies. Our productivity initiatives help fund our growth initiatives and contribute to our results of operations. We continue to implement strategic plans that we believe will position our business for future success and long-term growth by enabling us to achieve a lower cost structure and operate more efficiently in the highly competitive food industry. In order to capitalize on our cost reduction efforts, it will be necessary to make certain investments in our business, which may be constrained by the amount of capital investments required. In addition, it is critical that we have the appropriate personnel in place to continue to lead and execute our growth strategy. If we are unable to successfully implement our productivity initiatives, fail to implement these initiatives as timely as we anticipate, do not achieve expected savings as a result of these initiatives or incur higher than expected or unanticipated costs in implementing these initiatives, or fail to identify and implement additional productivity enhancement initiatives in the future, our business, results of operations, cash flows and financial condition may be adversely impacted.

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

The demand for our products depends on quality that we manufacture and market. Any failure of ours to maintain the quality standards may affect our business. Although we have put in place strict quality control procedures, we cannot assure that our products will always be able to satisfy our customer's quality standards. Any negative publicity regarding our Company, or products, including those arising from any deterioration in quality of our products or any other unforeseen events could adversely affect our reputation, our operations and our results from operations.

25. Delays or defaults in client payments could result in a reduction of our profits

We may be subject to working capital risks due to delays or defaults in payment by customer, which may restrict our ability to procure raw materials and make payments when due. In addition, any delay or failure on our part to supply the required quantity or quality of products, within the stipulated time to our customers may affect our payment schedule and business image. Therefore, any defaults/delays by our customer in meeting their payment obligations to us may have a material adverse effect on our business, financial condition and results of operations.

26. Concerns over obesity or nutritional value of our products or other products manufactured by using our products as raw material may reduce demand for some of our products.

Our Products are basically supplied to Companies manufacturing snacks and foods products and there is growing concern among consumers, public health professionals and government agencies about the health problems associated with obesity. In addition, some researchers, health advocates and dietary guidelines are suggesting that consumption of snacks is one of the primary causes of increased obesity rates and are encouraging consumers to reduce or eliminate consumption of such products. Increasing public concern about obesity; additional governmental regulations concerning the marketing, labelling, packaging; and negative publicity resulting from actual or threatened legal actions against our supplier Companies in our industry relating to the marketing or sale of our snacks may reduce demand and simultaneously our sales will also be affected, which could adversely affect our profitability.

27. Any increase in or occurrence of our contingent liabilities may adversely affect our financial condition.

As of December 31, 2017 our contingent liabilities as indicated in our restated statements are as follows:

Particulars	Amount (Rs. In Lakhs) as on December 31, 2017
Bank Guarantee/LC Discounting	1.57

Any increase in our contingent liabilities or occurrence of these liabilities may materially and adversely affect our financial position, results of operations and cash flows. For further details of our contingent liabilities, please refer to section titled “Financial Information of our Company” beginning on Page 128 of this Prospectus.

28. Misconduct or errors by manpower engaged by us could expose us to business risks or losses that could affect our business prospects, results of operations and financial condition.

Misconduct or errors by manpower engaged by us could expose us to business risks or losses, including regulatory sanctions, penalties and serious harm to our business. Such misconduct includes breach of security requirements, misappropriation of funds, hiding unauthorized activities, failure to observe our stringent operational standards and processes and improper use of confidential information. It is not always possible to detect or deter such misconduct, and the precautions we take to prevent and detect such misconduct may not be effective. The risks associated with the deployment of manpower include possible claims relating to:

- actions or inactions, including matters for which we may have to indemnify our clients;
- Our failure to adequately verify personnel backgrounds and qualifications resulting in deficient services;
- failure of manpower engaged by us to adequately perform their duties or absenteeism;
- errors or malicious acts or violation of security, privacy, health and safety regulations; and

These claims may give rise to litigation and claims for damages, which could be time-consuming. These claims may also result in negative publicity and affect our business. Any claims and proceedings for alleged negligence as well as regulatory actions may in turn materially and consequently, our business, financial condition, results of operations and prospects.

29. Seasonality affects our operations and business.

Our raw material is based on production of wheat which is an agriculture produce. Such products require certain season or weather conditions to grow. Hence, our business operations may be subject to seasonality and our quarterly or six monthly results may not be fully comparable to that extent. Due to seasonal nature of the raw material we deal in, seasonality and weather conditions do affect our business. Even though, we do take preventive measures for the same like planning procurement schedules, storing raw material in chambers, etc., we can never be fully sure of being able to manage seasonal aspects which are inherent in our business. Inability to manage these aspects could result in losses and affect our results of operations and financial conditions.

30. Our performance may be affected if demand for our products and our Production decreases.

Our Company is engaged in manufacturing of food processing products and if demand of our Product decreases the operation of our company will be affected. Also if our Production decreases it will impact the sales of our company. Also it is important for us to anticipate demand for our products and any failure to anticipate, identify, interpret and react on the basis of anticipated/ desired demand or our failure to generate consumer acceptance, could lead to, among others, reduced demand for our products, which can affect our results of operations. For more information, please refer to the chapter “Our Business” on page 88 of this Prospectus.

31. We have significant ongoing funding requirements and may not be able to raise additional capital in the future. As a result, we may not be able to respond to business opportunities, challenges or unforeseen circumstances.

Our major fund based and non-fund based financial assistance has been sanctioned by the bank, i.e. the Union Bank of India on the security of assets. The Company is dependent on the Union Bank of India for its Working Capital requirement and any default under such arrangement with such lender may create problem for operation of the Company, which may affect the financial stability of the Company. At the same time this may result into difficulty in arranging for funds for re-payment and may also affect the financial position of the Company. If we are unable in the future to generate sufficient cash flow from operations or borrow the necessary capital to fund our future capital expenditures, we will be forced to limit our growth. In addition, we may not be able to service our existing customers or to acquire new customers. The inability to raise additional capital on acceptable terms could have an effect on our business, results of operations and financial condition.

For further details of our loans, Please refer chapter titled “Statement of Financial Indebtedness” beginning on Page 157 of this Prospectus

32. There exists certain conflict of interest between our company and our promoter Group entities.

Conflicts may arise in the ordinary course of decision-making by the Promoter or Board of Directors. Our Promoter have interests in other promoter group entities such as Ganesh Flour Mills that undertakes the same business as our Company. Our Promoter Group entities are authorized to carry out, or engage in business similar to that of our Company. Conflicts of interests may arise in the Promoter allocating or addressing business opportunities and strategies among our Company, Promoter Group Entities in circumstances where our respective interests diverge. In cases of conflict, there can be no assurance that our Promoter will not favour their own interests over those of our Company. Our Promoter have not signed any non-compete agreement with our Company as of date. Any such present and future conflicts could have an effect on our business, reputation, financial condition and results of operations.

For further details, please refer section titled “Our Promoter and Promoter Group” and Our Group Company” beginning on Page 122 & 126 of this Prospectus.

33. Our immovable properties used by us are leased. If we are unable to renew existing leases or relocate operations on commercially reasonable terms, there may be an effect on our business, results of operations and prospects.

We do not own some of the premises from where we operate such as registered office and warehouse if we are required to relocate our registered office and warehouse as a result of any termination or non-renewal of our leases and rent agreement, we may incur additional cost as a result of such relocation. Also our warehouse lease agreement is not registered. If we are unable to renew and entered the agreements pursuant to which we occupy the premises on terms and conditions acceptable to us, or at all, we may have to relocate our Registered Office as well as warehouse. Some of our properties use for our factory place is yet to apply for conversion in commercial uses.

Any failure or difficulty faced by us in renewing leases, or disputes or other problems that we may face in the future with lessees may affect our business and prospects. For further details of our Properties, please refer to section titled “Our Business” beginning on Page 88 of this Prospectus.

34. Our lenders have charge over our immovable properties in respect of finance availed by us.

We have provided security in respect of loans / facilities availed by us from banks and financial institutions by creating a charge over our immovable properties. The total amounts outstanding and payable by us as secured loans were Rs. 1972.58 lacs as on December 31, 2017. In the event we default in repayment of the loans / facilities availed by us and any interest thereof, our properties may be subject to forfeiture by lenders, which in turn could have significant adverse effect on business, financial condition or results of operations. For further details of secured loans of our Company, please refer the chapter titled “Statement of Financial Indebtedness” on page no. 157 of this Prospectus.

35. Any shortage or non-availability of power supply may adversely affect our manufacturing processes and have an adverse impact on our results of operations and financial condition.

Our manufacturing process requires a constant power supply which is met by State Electricity Board. In the event there is any disruption of power supply for long from State Electricity Board, the same could result in disruption of our manufacturing process which may adversely affect our results of operations and financial condition of the company. However, there have been no such instances of long outages in the past few years. For further details of our infrastructure, Please refer to chapter titled “Our Business” beginning on Page 88 of the Prospectus.

36. We have not independently verified certain data in this Prospectus.

We have not independently verified data from the Industry and related data contained in this Prospectus and although we believe the sources mentioned in the report to be reliable, we cannot assure you that they are complete or reliable. Such data may also be produced on a different basis from comparable information compiled with regards to other countries. Therefore, discussions of matters relating to India, its economy or the industries in which we operate that is included herein are subject to the caveat that the statistical and other data upon which such discussions are based have not been verified by us and may be incomplete, inaccurate or unreliable. Due to incorrect or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, we cannot assure you that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

37. We are subject to the risk of failure of, or a material weakness in, our internal control systems.

We are exposed to risks arising from the inadequacy or failure of internal systems or processes, and any actions we may take to mitigate these risks may not be sufficient to ensure an effective internal control environment. Given our high volume of transactions, errors may be repeated or compounded before they are discovered and rectified. Our management information systems and internal control procedures may not be able to identify non-compliance or suspicious transactions in a timely manner, or at all. Where internal control weaknesses are identified, our actions may not be sufficient to fully correct such weaknesses. In addition, several of our collection related processes are yet to be fully automated, which may increase the risk that human error, tampering or manipulation will result in losses that may be difficult to detect. As a result, we may incur expenses or suffer monetary losses, which may not be covered by our insurance policies and may result in a material effect on our business, financial condition and results of operations.

38. In addition to normal remuneration, other benefits and reimbursement of expenses some of our Directors are interested in our Company to the extent of their shareholding and dividend entitlement in our Company.

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

For further details of transaction with directors, Please refer chapter titled “Financial Information of the Company” beginning on Page 128 of this Prospectus

39. We face foreign exchange risks that could affect our results of operations.

We face foreign exchange rate risk as some of our revenues and expenses are denominated in a currency other than the Indian Rupee. Because of our foreign currency exposures, exchange rate fluctuations between the Indian Rupee and foreign currencies, especially the U.S. dollar, can have a material impact on our results of operations, cash flows and financial condition. The exchange rate between the Indian Rupee and U.S. dollar has been volatile in recent periods and may continue to fluctuate in the future.

Fluctuations in the exchange rates may affect us to the extent of such orders being placed overseas. Our Company may enter into certain contracts to hedge exchange rate fluctuations which may or may not adequately cover the potential loss that may arise as a result of such foreign exchange transactions. Moreover, these hedges do not cover all such exposures and are in any event subject to their own risks, including counterparty credit risk. Adverse moves in exchange rates that we have not adequately hedged may impact our profitability and financial condition.

For further details of our financial statements, please refer to the chapter titled “Financial Information of the Company” on page 128 of this Prospectus.

40. Our insurance coverage may not be adequate to protect us against all potential losses to which we may be subject and this may have a material effect on our business and financial condition.

While we maintain insurance coverage related to our workmen’s compensation and other insurance for movable assets. We may not have sufficient insurance coverage to cover all possible economic losses, including when the loss suffered is not easily quantifiable and in the event of severe damage to our business. Even if we have made a claim under an existing insurance policy, we may not be able to successfully assert our claim for any liability or loss under such insurance policy. Additionally, there may be various other risks and losses for which we are not insured either because such risks are uninsurable or not insurable on commercially acceptable terms. The occurrence of an event for which we are not adequately or sufficiently insured could have an effect on our business, results of operations, financial condition and cash flows.

In addition, in the future, we may not be able to maintain insurance of the types or at levels which we deem necessary or adequate or at rates which we consider reasonable. The occurrence of an event for which we are not adequately or sufficiently insured or the successful assertion of one or more large claims against us that exceed available insurance coverage, or changes in our insurance policies (including premium increases or the imposition of large deductible or co-insurance requirements), could have an effect on our business, results of operations, financial condition and cash flows.

For further details of our Insurance Policies, please refer section titled “Our Business” beginning on Page 88 of this Prospectus.

41. If there is a change in policies related to tax, duties or other such levies applicable to us, it may affect our results of operations.

We benefit from certain general tax regulations and incentives that accord favourable treatment to certain of our operations as well as for our activities. These tax benefits include income tax deductions and other taxes. For details regarding income tax deductions, please refer to the chapter “Statement of Tax Benefits” on page 78 of this Prospectus.

New or revised accounting policies or policies related to tax, duties or other such levies promulgated from time to time by the relevant authorities may significantly affect our results of operations. We cannot assure you that we would continue to be eligible for such lower tax rates or any other benefits. The reduction or termination of our tax incentives, or non-compliance with the conditions under which such tax incentives are made available, will increase our tax liability and affect our business, prospects, results of operations and financial condition.

42. Any Penalty or demand raise by statutory authorities in future will affect our financial position of the Company.

Our Company is mainly engaged in business of manufacturing which attracts tax liability such as Goods and Service Tax and other applicable provision of the Acts. However, the Company has been depositing the return under above applicable acts but any demand or penalty raise by concerned authority in future for any previous year and current year will affect the financial position of the Company. For detail, please refer “Outstanding Litigation and Material Development” beginning on page 172 of Prospectus. Any such penalty arising in future may lead to financial loss to our Company.

43. We are susceptible to risks relating to unionization of our employees employed by us.

We cannot assure you that our employees will not unionize, or attempt to unionize in the future, that they will not otherwise seek higher wages and enhanced employee benefits. We also cannot assure you that we will not experience disruptions in our work due to disputes or other problems with our workforce. If not resolved in a timely manner, these risks could limit our ability to provide our products to our clients, cause clients to limit their use of our products or result in an increase in our cost of employee benefits and other expenses. If any of these risks materialize, our business, results of operations and financial condition could be affected.

44. Information relating to our production capacities and the historical capacity utilization of our production facilities included in this Prospectus is based on factual data and proposed capacity is based on certain assumptions and has been subjected to rounding off, and future production and capacity utilization may vary.

Information relating to our production capacities and the historical capacity utilization of our production facilities included in this Prospectus is based on factual data of past years and proposed capacity utilization is based on various assumptions and estimates of our management, including proposed operations, assumptions relating to availability and quality of raw materials, assumptions relating to operational efficiencies, as well as assumptions in relation to the average density of food products manufactured by us. Actual production levels and utilization rates may differ significantly from the estimated production capacities or capacity utilization information of our facilities. Undue reliance should therefore not be placed on our production capacity or estimated capacity utilization information for our existing facilities included in this Prospectus. Our capacity utilization of Installed machinery is under-utilization. For further information, see the section titled “Our Business” on page 88 of this Prospectus.

45. Our Company’s management will have flexibility in utilizing the Net Proceeds from the Issue. The deployment of the Net Proceeds from the Issue is not subject to any monitoring by any independent agency.

Our Company intends to primarily use the Net Proceeds towards working capital requirement and for general corporate purposes as described in “Objects of the Issue” on page 69 of this Prospectus. In terms of Regulation 16 of the SEBI (ICDR) Regulations, we are not required to appoint a monitoring agency since the Issue size is not in excess of ₹100 crores. The management of our Company will have discretion to use the Net Proceeds from the Issue, and investors will be relying on the judgment of our Company’s management regarding the application of the Net Proceeds from the Issue. Our Company may have to revise its management estimates from time to time and consequently its requirements may change.

Further, pursuant to Section 27 of the Companies Act 2013, any variation in the objects would require a special resolution of the Shareholders and our Promoters or controlling Shareholders will be required to provide an exit opportunity to the Shareholders of our Company who do not agree to such proposal to vary the objects, in such manner as may be prescribed in future by the SEBI.

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

46. We have not identified any alternate source of raising the working capital mentioned as our ‘Objects of the Issue’. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance.

Our Company has not identified any alternate source of funding for our working capital requirement and for general corporate purposes and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds can adversely affect our growth plan and profitability. The delay/shortfall in receiving these proceeds could result in inadequacy of working capital or may require our Company to borrow funds on unfavourable terms, both of which scenarios may affect the business operation and financial performance of the Company.

For further details of our Object for the Issue, Please refer chapter titled “Object for the Issue” beginning on Page 69 of this Prospectus

47. Our Equity Shares have never been publicly traded and may experience price and volume fluctuations following the completion of the Issue, an active trading market for the Equity Shares may not develop, the price of our Equity Shares may be volatile and you may be unable to resell your Equity Shares at or above the Issue Price or at all.

Prior to the Issue, there has been no public market for our Equity Shares, and an active trading market may not develop or be sustained after the Issue. Listing and quotation does not guarantee that a market for our Equity Shares will develop or, if developed, the liquidity of such market for the Equity Shares. The Issue Price of the Equity Shares is determined considering various financials factors of the Company and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. There has been significant volatility in the Indian stock markets in the recent past, and the trading price of our Equity Shares after this Issue could fluctuate significantly as a result of market volatility or due to various internal or external risks, including but not limited to those described in this Prospectus. A decrease in the market price of our Equity Shares could cause you to lose some or all of your investment.

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

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Additionally, under some of our loan agreements, we may not have permitted to declare any dividends, if there is a default under such loan agreements or unless our Company has paid all the dues to the lender up to the date on which the dividend is declared or paid or has made satisfactory provisions thereof. Accordingly, realization of a gain on shareholder's investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see "Dividend Policy" on page 127 of this Prospectus.

49. Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities may differ from those that would apply to a company in another jurisdiction. Investors may have more difficulty in asserting their rights as shareholders in an Indian company than as shareholder of a corporation in another jurisdiction. Shareholders' rights under Indian law may not be as extensive as shareholders' rights under the laws of other jurisdictions. Under the Companies Act, prior to issuance of any new equity shares, a public limited company incorporated under Indian law must offer its equity shareholders pre-emptive rights to subscribe to a proportionate number of equity shares to maintain existing ownership, unless such pre-emptive rights are waived by a special resolution by a three-fourths majority of the equity shareholders voting on such resolution. If you are a foreign investor and the law of the foreign jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such foreign jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. If we elect not to file an offering document or a registration statement, the new securities may be issued to a custodian, who may sell the securities for your benefit. The value such custodian receives on the sale of any such securities and the related transaction costs cannot be predicted. To the extent that you are unable to exercise pre-emptive rights granted in respect of our Equity Shares, your proportional interest in our Company would decline.

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

The Issue Price of our Equity Shares has been determined on the basis of the Fixed Price Issue. This price is based on numerous factors. For further information, see "Basis for Issue Price" beginning on page 75 of this Prospectus and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price are:

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

51. A third party could be prevented from acquiring control of our Company because of anti-takeover provisions under Indian law.

There are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company, even if a change in control would result in the purchase of your Equity Shares at a premium to the market price or would otherwise be beneficial to you. Such provisions may discourage or prevent certain types of transactions involving actual or threatened change in control of us. Under the takeover regulations in India, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company. Consequently, even if a potential takeover of our

Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to its stakeholders, it is possible that such a takeover would not be attempted or consummated because of the Indian takeover regulations.

52. *The average cost of acquisition of Equity Shares by our Promoters could be lower than the Issue Price.*

Our Promoters average cost of acquisition of Equity Shares in our Company may be lower than the Issue Price as may be decided by the Company, in consultation with the LM. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoters in our Company, please refer to the chapters “Capital Structure” beginning on page 56 of this Prospectus.

53. *The requirements of being a listed company may strain our resources and distract management.*

We have no experience as a listed company and have not been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public that is associated with being a listed company. As a listed company, we will incur additional legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the listing agreements with the Stock Exchanges and compliances of SEBI Listing Regulation, 2015 which would require us to file audited annual and unaudited semi-annual and limited review reports with respect to our business and financial condition. If we delay making such filings, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations as timely as other listed companies.

As a listed company, we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions to support the existence of effective disclosure controls and procedures, internal control over financial reporting and additional compliance requirements under the Companies Act, 2013. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management oversight will be required. As a result, management’s attention may be diverted from other business concerns, which could adversely affect our business, prospects, financial condition and results of operations. In addition, we may need to hire additional legal and accounting staff with appropriate listed company experience and technical accounting knowledge and we cannot assure you that we will be able to do so in a timely manner.

54. *We may require further equity issuance, which will lead to dilution of equity and may affect the market price of our Equity Shares or additional funds through incurring debt to satisfy our capital needs, which we may not be able to procure and any future equity offerings by us.*

Our growth is dependent on having a strong balance sheet to support our activities. In addition to the IPO Proceeds and our internally generated cash flow, we may need other sources of financing to meet our capital needs which may include entering into new debt facilities with lending institutions or raising additional equity in the capital markets. We may need to raise additional capital from time to time, dependent on business conditions. The factors that would require us to raise additional capital could be business growth beyond what the current balance sheet can sustain; additional capital requirements imposed due to changes in regulatory regime or significant depletion in our existing capital base due to unusual operating losses. Any fresh issue of shares or convertible securities would dilute existing holders, and such issuance may not be done at terms and conditions, which are favourable to the existing shareholders of our Company. If our Company decides to raise additional funds through the incurrence of debt, our interest obligations will increase, and we may be subject to additional covenants, which could further limit our ability to access cash flows from our operations. Such financings could cause our debt to equity ratio to increase or require us to create charges or liens on our assets in favour of lenders. We cannot assure you that we will be able to secure adequate financing in the future on acceptable terms, in time, or at all. Our failure to obtain sufficient financing could result in the delay or abandonment of our expansion plans. Our business and future results of operations may be affected if we are unable to implement our expansion strategy.

Any future issuance of Equity Shares by our Company may dilute shareholding of investors in our Company; and hence affect the trading price of our Company’s Equity Shares and its ability to raise capital through an issue of its securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Company’s Equity Shares. Additionally the disposal, pledge or encumbrance of Equity Shares by any of our Company’s major shareholders, or the perception that such transactions may occur may affect the trading price of the Equity Shares. No assurance may be given that our Company will not issue Equity Shares or that such shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

55. *We have in the last 12 months issued Equity Shares at a price that may be at lower than the Issue Price.*

In the last 12 months we may have issued fresh Equity Shares to the promoters and other shareholders of our Company which are as follows: -

- Bonus issue in the ratio of 21:100 dated March 23, 2018 issuing 12,53,700 Equity shares face value ₹ 10/- per Equity Share for consideration other than cash.

The Equity Shares allotted to investors pursuant to this Issue is being priced significantly higher due to various reasons including better performance by the Company, better economic conditions and passage of time.

For Further details of equity shares issued, please refer to the chapter titled “Capital Structure” beginning on page 56 of the Prospectus.

56. *We will continue to be controlled by our Promoters and Promoter Group after the listing of the Equity Shares in the Issue.*

Upon successful completion of the Issue, our Promoters and Promoter Group will collectively control, directly or indirectly, approximately 67.71% of our outstanding Equity Shares (assuming full subscription to the Issue). As a result, our Promoters and Promoter Group will continue to have the ability to exercise significant control over our Company and all matters requiring shareholder approval, including election of directors, our business strategy and policies, and approval of significant corporate transactions such as mergers and business combinations. The extent of their shareholding in our Company may also have the effect of delaying, preventing or deterring a change in control of our Company, even if such a transaction may be beneficial to the other shareholders. The interests of our Promoters and Promoter Group as controlling shareholders of our Company could be in conflict with the interests of our other shareholders. We cannot assure you that our Promoters and Promoter Group will act to resolve any conflicts of interest in favor of our Company or the other shareholders.

For Further details of Capital Buildup, please refer to the chapter titled “Capital Structure” beginning on page 56 of the Prospectus.

EXTERNAL RISK FACTORS

57. *Changing laws, rules and regulations and legal uncertainties may adversely affect our business and financial performance.*

Our business and financial performance could be adversely affected by changes in law or regulatory environment, or interpretations of existing laws, rules and regulations, or the promulgation of new laws, rules and regulations in India, applicable to us and our business. Any significant changes in relevant food safety regulations, laws or regulatory environment might materially impact the Company's operations and financials.

Additionally, the regulatory environment in which we operate is subject to change both in the form of gradual evolution over time and also in form of significant reforms from time to time. For instance, a notification issued by the Government of India withdrawing the legal tender status of currency notes of ₹500 and ₹1,000, may have had and may continue to have an adverse effect on certain sectors of the Indian economy. Further, the General Anti Avoidance Rules (“GAAR”) are effective from April 1, 2017. The tax consequences of the GAAR provisions being applied to an arrangement could result in denial of tax benefits among other consequences. In the absence of any precedents on the subject, the application of these provisions is uncertain. If the GAAR provisions are made applicable to our Company, it may have an adverse tax impact on us. Any such change in the future may require us to commit significant management resources and may require significant changes to our business practices and could have a material adverse effect on our business, financial condition, results of operations and prospects.

The governmental and regulatory bodies in India may notify new regulations and/or policies, which may require us to obtain approvals and licenses from the government and other regulatory bodies, or impose onerous requirements and conditions on our operations, in addition to those which we are undertaking currently. Any such changes and the related uncertainties with respect to the implementation of new regulations may have a material adverse effect on our business, financial condition and results of operations.

In addition, there have been various changes and proposed changes recently in the laws and regulations relating to information technology in India. Any such changes could require us to redesign our information technology systems or redesign our digital processes to comply with such laws and regulations. We cannot assure you that we will be able to redesign such systems or processes

in a cost-effective manner, or at all. Since our business depends heavily on the ability of our information technology systems and digital processes, any change in the laws or regulations relating to information technology in India could have a material adverse effect on our business, financial condition, results of operations and prospects.

58. We may be affected by competition law in India and any adverse application or interpretation of the Competition Act could adversely affect our business.

The Competition Act was enacted for the purpose of preventing practices that have or are likely to have an adverse effect on competition in India and has mandated the CCI to separate such practices. Under the Competition Act, any arrangement, understanding or action, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition is void and attracts substantial penalties.

Further, any agreement among competitors which, directly or indirectly, involves determination of purchase or sale prices, limits or controls production, or shares the market by way of geographical area or number of subscribers in the relevant market is presumed to have an appreciable adverse effect in the relevant market in India and shall be void. The Competition Act also prohibits abuse of a dominant position by any enterprise. On March 4, 2011, the Indian central government notified and brought into force the combination regulation (merger control) provisions under the Competition Act with effect from June 1, 2011. These provisions require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to, and pre-approved by, the CCI. Additionally, on May 11, 2011, the CCI issued the Competition Commission of India (Procedure for Transaction of Business Relating to Combinations) Regulations, 2011, as amended, which sets out the mechanism for implementation of the merger control regime in India.

The Competition Act aims to, among other things, prohibit all agreements and transactions which may have an appreciable adverse effect in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside of India if such agreement, conduct or combination has an appreciable adverse effect in India. However, the impact of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage. We are not currently party to any outstanding proceedings, nor have we received notice in relation to non-compliance with the Competition Act or the agreements entered into by us. However, if we are affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business, financial condition, results of operations and prospects.

59. Political, economic or other factors that are beyond our control may have an adverse effect on our business, results of operations and cash flows.

We currently manufacture only in India and are dependent on domestic, regional and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent on the agriculture of the Indian economy. There have been periods of slowdown in the economic growth of India. Demand for our products may be adversely affected by an economic downturn in domestic, regional and global economies. India's economic growth is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports, global economic uncertainty and liquidity crisis, volatility in exchange currency rates, and annual rainfall which affects agricultural production. Consequently, any future slowdown in the Indian economy could harm our business, results of operations, cash flows and financial condition. Also, a change in the Government or a change in the economic and deregulation policies could affect economic conditions prevalent in the areas in which we operate in general and our business in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins.

60. Companies in India are required to prepare financial statements under the new Indian Accounting Standards. In addition, all income-tax assessee in India will be required to follow the Income Computation and Disclosure Standards.

The Ministry of Corporate Affairs ("MCA"), Government of India, has through notification dated February 16, 2015 issued the Indian Accounting Standards Rules, 2015 ("Ind AS") which have come into effect from April 1, 2015 and are applicable to companies which fulfill certain conditions. Further, there can be no assurance that the adoption of Ind AS will not affect our reported results of operations or financial condition. Any of these factors relating to the use of Ind AS may adversely affect our financial condition and results of operations.

Further, the Ministry of Finance, Government of India has issued a notification dated September 29, 2016 notifying Income Computation and Disclosure Standards ("ICDS"), thereby creating a new framework for the 35 computation of taxable income. The ICDS shall apply from the assessment year 2017-2018 and subsequent years. The adoption of ICDS is expected to significantly alter the way companies compute their taxable income, as ICDS deviates from several concepts that are followed under general accounting standards, including Indian GAAP and Ind AS. In addition, ICDS shall be applicable for the computation of income for tax purposes but shall not be applicable for the computation of income for minimum alternate tax. There can be no assurance that the adoption of ICDS will not adversely affect our business, results of operations and financial condition.

61. Terrorist attacks, communal disturbances, civil unrest and other acts of violence or war involving India and other countries may 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 trade and also adversely affect the worldwide financial markets. These acts may also result in a loss of business confidence, and adversely affect our business. In addition, any deterioration in relations between India and its neighbouring countries might result in investor concern about stability in the region, which may adversely affect the price of our Equity Shares.

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

62. The occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition.

The occurrence of natural disasters, including hurricanes, floods, earthquakes, tornadoes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations or financial condition, including in the following respects:

Catastrophic loss of life due to natural or man-made disasters could cause us to pay benefits at higher levels and/or materially earlier than anticipated and could lead to unexpected changes in persistency rates. A natural or man-made disaster could result in losses in our projects, or the failure of our counterparties to perform, or cause significant volatility in global financial markets. Pandemic disease, caused by a virus such as the "Ebola" virus, H5N1, the "avian flu" virus, or H1N1, the "swine flu" virus "zika virus", could have a severe adverse effect on our business. The potential impact of a pandemic on our results of operations and financial position is highly speculative, and would depend on numerous factors, including: the probability of the virus mutating to a form that can be passed from human to human; the rate of contagion if and when that occurs; the regions of the world most affected; the effectiveness of treatment of the infected population; the rates of mortality and morbidity among various segments of the insured versus the uninsured population; our insurance coverage and related exclusions; and many other variables.

63. Our business is substantially affected by prevailing economic, political and other prevailing conditions in India.

Our Company is incorporated in India, and the majority of our assets and employees are located in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations are significantly affected by factors influencing the Indian economy. Factors that may adversely affect the Indian economy, and hence our results of operations, may include:

- the macroeconomic climate, including any increase in Indian interest rates or inflation;
- any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;
- Any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing for our expansions;
- Prevailing income conditions among Indian consumers and Indian corporations;
- volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- changes in India's tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries;
- occurrence of natural or man-made disasters;
- prevailing regional or global economic conditions, including in India's principal export markets;
- other significant regulatory or economic developments in or affecting India or its ER&D sector;

international business practices that may conflict with other customs or legal requirements to which we are subject, including anti-bribery and anti-corruption laws;

Prominent Notes:

1. Public Issue of 26,80,000 Equity Shares of Face Value of ₹ 10/- each of Megastar Foods Limited (“MFL” or “Our Company”) for Cash at a Price of ₹ 30 Per Equity Share (Including a Share Premium of ₹ 20 per Equity Share) (“Issue Price”) aggregating to ₹ 804.00 Lakhs, of which 1,36,000 Equity Shares of Face Value of ₹ 10/- each at a price of ₹ 30 aggregating to ₹ 40.80 Lacs will be reserved for subscription by Market Maker (“Market Maker Reservation Portion”) and Net Issue to Public of 25,44,000 Equity Shares of Face Value of Rs. 10/- each at a price of ₹ 30 aggregating to ₹ 763.20 Lakhs (hereinafter referred to as the “Net Issue”) The Issue and the Net Issue will constitute 27.06% and 25.69% respectively of the Post Issue paid up Equity Share Capital of Our Company.
2. This Issue is being made for at least 25 % of the post- issue paid-up Equity Share capital of our Company, pursuant to Rule 19(2) (b) (i) of the Securities Contracts (Regulation) Rules, 1957 as amended. This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. As per Regulation 43(4) of the SEBI (ICDR) Regulations, as amended, since our is a fixed price offer ‘the allocation’ is the net offer to the public category shall be made as follows:
 - a) Minimum fifty percent to retail individual investors; and
 - b) Remaining to
 - (i) Individual applicants other than retail individual investors; and
 - (ii) Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for
 - c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

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.

3. The Net worth (excluding Revaluation Reserve) of our Company as on December 31, 2017, March 31, 2017 and March 31, 2016 was Rs. 820.16 Lakhs, Rs. 733.54 Lakh and Rs. 627.68 Lakh respectively based on Restated Financial Statements. For more information, see the section titled “Financial Information of the Company” beginning on page 128 of this Prospectus.
4. The NAV / Book Value per Equity Share, based on Restated Financials Statements as on December 31, 2017 March 31, 2017 and March 31, 2016 was Rs. 13.75/-, Rs. 12.29/- and Rs. 10.51/- per equity share respectively based on Restated Financial Statements. For more information, see the section titled “Financial Information of the Company” beginning on page 128 of this Prospectus.
5. The average cost of acquisition of Equity Shares by our Promoters is set out below:

Name of our Promoters	Number of Equity Shares Held	Average Cost of Acquisitions (Rs.)
Mr. Vikas Goel	24,92,660	8.87
Mr. Vikas Gupta	21,03,900	7.65

For further details, please see the section entitled “Capital Structure” on page 56 of this Prospectus.

6. The details of transactions of our Company with related parties, nature of transactions and the cumulative value of transactions please refer to section titled “Financial Information of the Company - Annexure VIII –Statement of Related Parties Transactions, on page 154 of Prospectus.
7. No Group companies have any business or other interest in our Company, except as stated in section titled “Financial Information of the Company - Annexure VIII - Statement of Related Parties Transactions, as Restated” on page 154 and “Our Group Company” on page 126 and to the extent of any Equity Shares held by them and to the extent of the benefits arising out of such shareholding.
8. Our Company was originally incorporated on November 28, 2011 as “Megastar Foods Private Limited” vide Registration no. 2011-12/033393 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Punjab and Chandigarh.



Further, our Company was converted into Public Limited Company and consequently name of company was changed from “Megastar Foods Private Limited” to “Megastar Foods Limited” vide Special resolution passed by the Shareholders at the Extra-Ordinary General Meeting held on March 09, 2018 and a fresh certificate of incorporation dated March 16, 2018 issued by the Registrar of Companies, Chandigarh.

For further details, please refer to Section titled “History and Certain Corporate Matters” on page 104 of this Prospectus.

9. None of our Promoters, Promoter Group, Directors and their relatives has entered into any financing arrangement or financed the purchase of the Equity Shares of our Company by any other person during the period of six months immediately preceding the date of filing of Prospectus.
10. Investors are advised to see the paragraph titled “Basis for Issue Price” beginning on page 75 of this Prospectus.
11. The Lead Manager, our Company shall update this Prospectus and keep the investors / public informed of any material changes till listing of the Equity Shares offered in terms of this Prospectus and commencement of trading.
12. Investors are free to contact the Lead Manager i.e. Swastika Investmart Limited for any clarification, complaint or information pertaining to the Issue. The Lead Manager and our Company shall make all information available to the public and investors at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever.
13. In the event of over-subscription, allotment shall be made as set out in paragraph titled “Basis of Allotment” beginning on page 234 of this Prospectus and shall be made in consultation with the Designated Stock Exchange i.e. BSE. The Registrar to the Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner as set out therein.
14. The Directors / Promoters of our Company have no interest in our Company except to the extent of remuneration and reimbursement of expenses (if applicable) and to the extent of any Equity Shares of our Company held by them or their relatives and associates or held by the companies, firms and trusts in which they are interested as director, member, partner, and/or trustee, and to the extent of benefits arising out of such shareholding. For further details please see the chapter titled “Our Management” beginning at page 108 chapter titled “Our Promoter & Promoter Group” beginning at page 122, and chapter titled “Financial Information of the Company” beginning at page 128 of this Prospectus.
15. No loans and advances have been made to any person(s) / companies in which Directors are interested except as stated in the Auditors Report. For details, please see “Financial Information of the Company” beginning on page 128 of this Prospectus.

SECTION III – INTRODUCTION

SUMMARY OF OUR INDUSTRY

GLOBAL OUTLOOK

The global economy is experiencing a cyclical recovery, reflecting a rebound in investment, manufacturing activity, and trade. This improvement comes against the backdrop of benign global financing conditions, generally accommodative policies, rising confidence, and firming commodity prices. Global GDP growth is estimated to have picked up from 2.4 percent in 2016 to 3 percent in 2017, above the June forecast of 2.7 percent. The upturn is broadbased, with growth increasing in more than half of the world's economies. In particular, the rebound in global investment growth—which accounted for three quarters of the acceleration in global GDP growth from 2016 to 2017—was supported by favorable financing costs, rising profits, and improved business sentiment across both advanced economies and emerging market and developing economies (EMDEs). This synchronous, investment-led recovery is providing a substantial boost to global exports and imports in the near term.

In advanced economies, growth in 2017 is estimated to have rebounded to 2.3 percent, driven by a pickup in capital spending, a turnaround in inventories, and strengthening external demand. While growth accelerated in all major economies, the improvement was markedly stronger than expected in the Euro Area.

Growth among EMDEs is estimated to have accelerated to 4.3 percent in 2017, reflecting firming activity in commodity exporters and continued solid growth in commodity importers. Most EMDE regions benefited from a recovery in exports. The improvement in economic activity among commodity exporters took place as key economies—such as Brazil and the Russian Federation—emerged from recession, prices of most commodities rose, confidence improved, the drag from earlier policy tightening diminished, and investment growth bottomed out after a prolonged period of weakness. Nonetheless, the estimated pace of growth in commodity exporters in 2017, at 1.8 percent, was still subdued and not enough to improve average per capita incomes, which continued to stagnate after two consecutive years of contraction.

Global growth is projected to edge up to 3.1 percent in 2018, as the cyclical momentum continues, and then slightly moderate to an average of 3 percent in 2019-20. This broadly steady forecast masks marked differences between the outlook for advanced economies and EMDEs. Growth in advanced economies is projected to slow, as labor market slack diminishes and monetary policy accommodation is gradually unwound, moving closer to subdued potential growth rates, which remain constrained by aging populations and weak productivity trends.

Conversely, growth in EMDEs is expected to accelerate, reaching 4.5 percent in 2018 and an average of 4.7 percent in 2019-20. This mainly reflects a further pickup of growth in commodity exporters, which is forecast to rise to 2.7 percent in 2018 and to an average of 3.1 percent in 2019-20, as oil and other commodity prices firm and the effects of the earlier commodity price collapse dissipate. Growth in commodity importers is projected to remain stable, averaging 5.7 percent in 2018-20, as a gradual slowdown in China is offset by a pickup in some other large economies. Within the broader group of EMDEs, growth in low-income countries is projected to rise to 5.4 percent in 2018 and to 5.6 percent on average in 2019-20, as conditions gradually improve in oil and metals-exporting economies.

Major economies: Recent developments and outlook

Growth in advanced economies strengthened in 2017, reaching an estimated 2.3 percent—0.4 percentage point above previous forecasts—helped by a recovery in capital spending and exports. The pickup in investment reflected increased capacity utilization, favorable financing conditions, and rising profits and business sentiment. Confidence was supported by the fact that policy uncertainty, albeit still elevated, diminished during the year. Consumption growth was stable, as continued labor market improvements offset the dampening impact of a rebound in energy prices. The recovery was substantially stronger than expected in the Euro Area and, to a lesser degree, in the United States and Japan. Despite the strengthening of activity, inflation in advanced economies remained subdued in 2017. Over the forecast horizon, advanced-economy growth is expected to moderate slightly in 2018, to 2.2 percent, and to average 1.8 percent in 2019-20—close to the upper bound of potential growth estimates. This path reflects the unwinding of a cyclical upturn in investment and further normalization of monetary policy, as advanced economy output gaps close.

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

INDIAN ECONOMY OVERVIEW

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organisation (CSO) and International Monetary Fund (IMF) and it is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships. India's GDP increased 7.1 per cent in 2016-17 and is expected to reach a growth rate of 7 per cent by September 2018.

Market size

India's gross domestic product (GDP) grew by 6.3 per cent in July-September 2017 quarter as per the Central Statistics Organisation (CSO). Corporate earnings in India are expected to grow by over 20 per cent in FY 2017-18 supported by normalisation of profits, especially in sectors like automobiles and banks, according to Bloomberg consensus. The tax collection figures between April-June 2017 Quarter show an increase in Net Indirect taxes by 30.8 per cent and an increase in Net Direct Taxes by 24.79 per cent year-on-year, indicating a steady trend of healthy growth. The total number of e-filed Income Tax Returns rose 21 per cent year-on-year to 42.1 million in 2016-17 (till 28.02.17), whereas the number of e-returns processed during the same period stood at 43 million.

Government Initiatives

In the Union Budget 2017-18, the Finance Minister, Mr Arun Jaitley, verified that the major push of the budget proposals is on growth stimulation, providing relief to the middle class, providing affordable housing, curbing black money, digitalisation of the economy, enhancing transparency in political funding and simplifying the tax administration in the country.

India's unemployment rate has declined to 4.8 per cent in February 2017 compared to 9.5 per cent in August 2016, as a result of the Government's increased focus towards rural jobs and the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) scheme. The Government of Maharashtra has set a target to double farm income by 2022 through measures like large scale micro irrigation, water conservation, expansion of formal cash credit coverage, crop insurance and agriculture diversification, as per Mr Vidyasagar Rao, Governor of Maharashtra.

Numerous foreign companies are setting up their facilities in India on account of various government initiatives like Make in India and Digital India. Mr. Narendra Modi, Prime Minister of India, has launched the Make in India initiative with an aim to boost the manufacturing sector of Indian economy, to increase the purchasing power of an average Indian consumer, which would further boost demand, and hence spur development, in addition to benefiting investors. The Government of India, under the Make in India initiative, is trying to give boost to the contribution made by the manufacturing sector and aims to take it up to 25 per cent of the GDP from the current 17 per cent. Besides, the Government has also come up with Digital India initiative, which focuses on three core components: creation of digital infrastructure, delivering services digitally and to increase the digital literacy.

Road Ahead

India's gross domestic product (GDP) is expected to reach US\$ 6 trillion by FY27 and achieve upper-middle income status on the back of digitisation, globalisation, favourable demographics, and reforms. India is also focusing on renewable sources to generate energy. It is planning to achieve 40 per cent of its energy from non-fossil sources by 2030 which is currently 30 per cent and also have plans to increase its renewable energy capacity from 57 GW to 175 GW by 2022.

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

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

FMCG INDUSTRY

Fast moving consumer goods (FMCG) is the 4th largest sector in the Indian economy. There are three main segments in the sector – food and beverages which accounts for 19 per cent of the sector, healthcare which accounts for 31 per cent and household and personal care which accounts for the remaining 50 per cent.

The FMCG sector has grown from US\$ 31.6 billion in 2011 to US\$ 49 billion in 2016. The sector is further expected to grow at a Compound Annual Growth Rate (CAGR) of 20.6 per cent to reach US\$ 103.7 billion by 2020. FMCG revenue grew 14.8 per cent during October-December 2017.

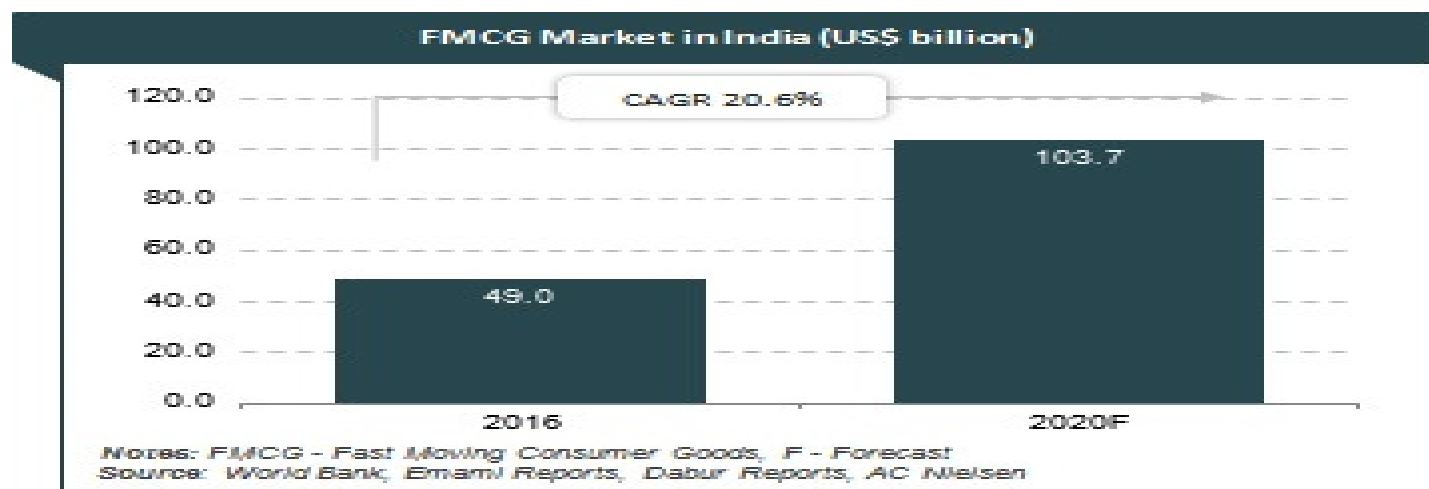
Accounting for a revenue share of around 60 per cent, rural segment is the largest contributor to the overall revenue generated by the FMCG sector in India and recorded a market size of around US\$ 29.4 billion in 2016 and is expected to grow to US\$ 220 billion in 2025. Demand for quality goods and services have been going up in rural areas of India, on the back of improved distribution channels of manufacturing and FMCG companies. Semi-urban and urban segments accounted for a revenue share of 40 per cent in the overall revenues recorded by FMCG sector in India.

FMCG Companies are looking to invest in energy efficient plants to benefit the society and lower costs in the long term.

Growing awareness, easier access, and changing lifestyles are the key growth drivers for the consumer market. The focus on agriculture, MSMEs, education, healthcare, infrastructure and employment under the Union Budget 2018-19 is expected to directly impact the FMCG sector. These initiatives are expected to increase the disposable income in the hands of the common people, especially in the rural area, which will be beneficial for the sector.

Indian FMCG Industry Analysis

- Rise in rural consumption to drive the FMCG market.
- The rural FMCG market in India is expected to grow at a CAGR of 14.6 per cent, and reach US\$ 220 billion by 2025 from US\$ 29.4 billion in 2016.



Road Ahead

Rural consumption has increased, led by a combination of increasing incomes and higher aspiration levels; there is an increased demand for branded products in rural India. The rural FMCG market in India is expected to grow at a CAGR of 14.6 per cent, and reach US\$ 220 billion by 2025 from US\$ 29.4 billion in 2016.

On the other hand, with the share of unorganised market in the FMCG sector falling, the organised sector growth is expected to rise with increased level of brand consciousness, also augmented by the growth in modern retail.

Another major factor propelling the demand for food services in India is the growing youth population, primarily in the country's urban regions. India has a large base of young consumers who form the majority of the workforce and, due to time constraints, barely get time for cooking.

Online portals are expected to play a key role for companies trying to enter the hinterlands. The Internet has contributed in a big way, facilitating a cheaper and more convenient means to increase a company's reach. It is estimated that 40 per cent of all FMCG

purchases in India will be online by 2020, thereby making it a US\$ 5-6 billion business opportunity. By the year 2025, e-commerce will contribute around 10-15 per cent sales of few categories in the FMCG sector*.

Mr Mark Mobius, Executive Chairman, Templeton EM, opined that the Goods and Services Tax (GST) will lead to mergers and rise of world class consumer companies in India. GST and demonetisation are expected to drive demand, both in the rural and urban areas, and economic growth in a structured manner in the long term and improve performance of companies within the sector.

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

FOODS AND BEVERAGE INDUSTRY

India, the fastest growing economy in the world, is known for its rich and diverse culture and is a home to people from different religions and languages living together. Geographically also, India has varied climate and agriculture conditions. With these diversities, India offers a wide variety of traditional cuisines. These cuisines vary significantly geographically from north to south and east to west of India and are also influenced by local availability of spices, herbs, vegetables and fruits. These traditional cuisines are getting evolved over a period of time and are now served in different avatars, e.g., inclusion of new ingredients or flavors and change in the traditional preparation style.

Every country's journey toward economic growth results in improvement in its food supply, both quantitative and qualitative, and a gradual reduction in nutritional deficiencies and India is not an exception. This also results in the development of the production, processing, distribution and marketing of food. Further, diets and taste change due to factors such as per capita income, prices, individual preferences and beliefs, urbanization, globalization etc. This has led to the growth and increasing acceptance of processed/packaged foods and beverages by Indian consumers.

India offers the largest diversified production base in the food sector. This is advantageous to the Indian food and beverage industry to source its raw materials.

- The largest producer of milk,
- 2nd largest producer of fruits and vegetables
- 2nd in rice, wheat and production of other cereals
- Leading producers of spices, fish and plantation crops
- 3rd in egg and 6th in meat production

India, being the second most populated country in the world, is one of the global leaders in the food and beverage industry. As per the EMIS Insights Industry Report on Food and Beverages Sector 2016-17, the gross value added of the food and beverage sector expanded at a CAGR of 4.8% over FY 2013-16.

The food and beverage industry was the fifth-largest sector in manufacturing. Thanks to the entry of multinational companies and their expansion in the market, India is rapidly becoming a production hub for processed foods, which are increasingly consumed in India as well as exported to countries in South Asia, the Middle East and Africa.

India's food processing sector is also witnessing a tremendous growth with multinational companies increasingly strengthening their presence in India/entering in the Indian market.

India's strong macro-economic indicators and policies have resulted in a steep increase in foreign investments and collaborations in recent times. Between April 2000 and June 2017, the Indian food processing sector received FDI of US\$7.81 billion, making it the 13th largest sector receiving FDI in the country. Further, it would be prudent to note that over 80% of the sector's FDI since April 2000 has been received since April 2012. FY 2017-18 is already showing strong promise for foreign investment in the sector, with US\$263 million having already been invested within the first quarter (April to June 2017).

Increasing foreign investments and collaboration in India in the food processing sector signify a vast increase in the food and beverages products being offered by global multinational companies as well as domestic companies.

Within this attractive Indian food and beverage industry, there are certain segments that for this report are called as "high-growth segments". These segments are gaining acceptability among the Indian consumers and thereby creating immense opportunities for existing as well as new industry players.



The Indian market is undoubtedly a very critical market for the global players in the fast growing food and beverages segment.

The seven strong demand drivers of the food and beverage industry of India are affluence of working population and increase in disposable income, rising urbanization and change in lifestyle, change in tastes and preferences, increase in tourism in India and number of Indian travelling within and outside India, increasing awareness and accessibility of new products and acceptability of these products during occasions and celebrations.

Further, India's strong macro-economic indicators, strategic location, India transforming into a manufacturing and research and development hub for global players, availability of labor at low cost, India's vision and commitment for developing a world-class infrastructure etc. are all contributing to making India an attractive destination for global players.

With many of the global players in these segments having already established their strong footprint, India with a consumer base of over 1.25 billion people is the world's largest consumer market and offers an attractive opportunity to the players who are looking to now establish their footprint in India.

(Source - <https://foodprocessingindia.co.in/pdf/high-growth.pdf>)



SUMMARY OF OUR BUSINESS

The following information should be read together with, the more detailed financial and other information included in this Prospectus, including the information contained in “Risk Factors”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Financial Information of the Company” on page 16, 159 & 128 respectively

OVERVIEW

Incorporated in 2011, Our Company is engaged in the manufacturing of food based products such as wheat flour, organic wheat flour products and allied flour products. Basically, our company produce food products related to wheat i.e. Atta-wheat flour products, Maida-Fine wheat flour products, Suji/Rawa-Semolina, Chokar/Wheat Bran, Organic Atta, Organic whole Wheat flour and Organic wheat flour etc.

Our Company is an FSSC 22000 certified company for food safety systems including ISO 22000:2005, ISO 22002-1:2009 and additional FSSC 22000 requirements in respect of Processing (Pre Cleaning, Cleaning, milling, Sifting) of Wheat products like Atta, Maida, Suji, Bran and its packaging in HDPE laminated bags and Poly Pouch bags by Intertek Certification Limited, United Kingdom. Our Company is having FSSAI license, Organic Certificate for in accordance with the requirements of India’s National Programme for Organic Production Standards by the Ecocert India Pvt. Limited, HALAL certified by HALAL India Pvt. Ltd etc.

Our Company was originally incorporated on November 28, 2011 as “Megastar Foods Private Limited” vide Registration no. 033393/2011-2012 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Punjab and Chandigarh. Further, our Company was converted into Public Limited Company and consequently name of company was changed from “Megastar Foods Private Limited” to “Megastar Foods Limited” vide Special resolution passed by the Shareholders at the Extra-Ordinary General Meeting held on March 09, 2018 and a fresh certificate of incorporation dated March 16, 2018 issued by the Registrar of Companies, Chandigarh.

Megastar was originally promoted by Mr. Vikas Gupta, Mr. Satpal Gupta, Mrs. Shivani Gupta, Mr. Vikas Goel, Mr. Pankaj Goyal, Mr. Sanjay Verma, Mr. Aniket Verma and Mr. Abhishek Verma in the year 2011 and they are the initial subscribers of the company. Presently the promoters of Our Company are Mr. Vikas Goel and Mr. Vikas Gupta. Our Promoters Mr. Vikas Goel and Vikas Gupta is having vast experience in field of Wheat Flour Industry. They looks after overall management and operations of the said Company. Under their guidance of our Promoters, our Company has witnessed continuous growth.

Our Company is having state of the art modern machinery in our wheat processing plant in Punjab, India, with an installed capacity of 81000 MT per year. It has been our constant endeavour at all the levels to ensure processing of wheat with quality, undertaking testing and exploring new possibilities by our team of highly skilled people. It has been our hallmark in our organization to strictly follow the Good Manufacturing Practices (GMP), Good Laboratory Practices (GLP) to ensure the high standards of food safety, quality & hygiene. At present we are catering majorly to MNC’s in India and also exporting some of our products to United Nations Organization, Europe, United States & Middle East.

Our company’s main aim is to grow relationships with our customers that we can serve successfully by providing them a point of difference, adding value and ultimately, providing profitable growth for both parties. Our customers are supported by a highly skilled, enthusiastic, can-do culture team throughout the whole business. Our endeavour is to maintain an efficiently sound business in order to provide a secured future to our fellow employees while stressing on the continual improvement of our highly ranked products for a constantly enhanced customer satisfaction.

For the period ended December 31, 2017 our Company’s Total Standalone Income and Restated Profit after Tax were Rs. 7836.75 Lacs and Rs. 87.07 Lacs, respectively. For the year ended March 31, 2017, our Company’s Total Standalone Income and Restated Profit after Tax were Rs. 9776.25 Lacs and Rs. 105.86 Lacs, respectively compared to our Company’s Total Standalone Income and Restated Profit after Tax was Rs. 7804.31 Lacs and Rs. 58.92 Lakhs respectively for the year ended March 31, 2016.

Certifications and Recognition: -

- Certificate of FSSC 22000 by Intertek Certification Limited, United Kingdom.
- Organic Certificate for products by the Ecocert India Pvt. Limited.
- HALAL India Certificate by HALAL India Pvt. Ltd.
- Licence under Food Safety and Standard Authority of India (FSSAI).



COMPETITIVE STRENGTHS

Our principal competitive strengths are:

Wide range of Products and hygienic

We provide a broad range of products to our customers that currently, we are providing such products like Atta-wheat flour products, Maida-Fine wheat flour products, Suji/Rawa-Semolina, Chokar/Wheat Bran, Organic Atta, Organic whole Wheat flour and Organic wheat flour etc. which increases the scope of our customers and our ability to cater to a diversified cliental base. Our products are untouched by hand, processed under completely hygienic conditions to maintain our trademark promise of purity.

Existing Client Base

Our Company has maintained long-standing relationship with our major customers such as Jubilant Foodworks Limited, Nestle India Limited, GSK (Glaxo Smithkline Consumer healthcare Limited), Pepsico India Holding Pvt. Ltd., UB (United Biscuits Pvt. Ltd.) and ITC Limited etc. 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. Further having been in this business through our promoters for the long period, we believe that existing relationships will help as a core competitive strength for us.

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 our suppliers. Our company enjoys existing relationship with our suppliers. Further we also leverage the past experience of our management in maintain effective supplier relationship.

Experienced Promoters and Management Expertise

Our Company is promoted by Mr. Vikas Goel and Mr. Vikas Gupta who individually have approximate 25 years and 15 years of experience respectively. Our Promoters and senior Key managerial person have experience in setting up business, developing markets, managing customers and handling overall businesses. Further, our board of directors are supported by a team of well experienced and qualified personnel. For further details regarding the educational qualifications and experience of our Board of Directors and our Key Managerial Personnel please refer to chapter titled “Our Management” beginning on page 108 of this Prospectus. We believe that our management team’s experience and their understanding of FMCG industry will enable us to continue to take advantage of both current and future market opportunities. It is also expected to help us in addressing and mitigating various risks inherent in our business.

OUR STRATEGIES

The primary elements of our growth strategies are set forth below.

Quality Assurance

We will continue to maintain quality of our existing product portfolio to cater to various customer and price segments in the food processing market. We endeavor to maintain the quality of our products, and follow strict procedures to ensure quality control, timely delivery and competitive prices. The company intends to strengthen its product development effort by leveraging skills of its employees which will help to increase the sales of the Company and retain customers.

Improving operational efficiencies

Our Company intends to improve operating efficiencies to achieve cost reductions to have a competitive edge over the peers. We are addressing the increase in operational output through continuous process improvements, quality check and technology development.



Our employees are regularly motivated to increase efficiency with error free exercise. We believe that this can be done through continuous process improvements. Further we believe that this can be done through domestic presence and economies of scale. Increasing our penetration in existing regions with new range of products, will enable us to penetrate into new catchment areas within these regions and optimize our infrastructure. As a result of these measures, our company will be able to increase its market share and profitability.

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 do this by leveraging our marketing skills and relationships and further enhancing customer satisfaction. We plan to increase our customers by meeting contracts in hand on time, maintaining our customer relationship and renewing our relationship with existing buyers.

Optimal Utilization of Resources

Our Company constantly endeavors to improve our technical process, and will increase manufacturing activities 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 our technical and manufacturing process which enables us to identify the areas of bottlenecks and correct the same. This will help us in improving efficiency and putting resources to optimal use.

To be a part of retail market with our own brand

Already, our company has been applied for Trade Mark and Word Mark to secure our products in the market. Out of them some are registered in the name of Megastar and some are objected. Our main aim to be part of retail market with our own brand in the food processing industry.

SUMMARY OF OUR FINANCIALS

RESTATED STATEMENT OF ASSETS AND LIABILITIES

(Rs. In Lakhs)

Sr. No.	Particulars	Note No.	As at 31st	As at 31st March				
			December, 2017	2017	2016	2015	2014	2013
A.	Equity and Liabilities							
1	Shareholders' Funds							
	Share Capital	I.1	597.00	597.00	597.00	597.00	597.00	173.00
	Reserves & Surplus	I.2	223.61	136.54	30.68	(28.24)	(0.09)	-
	Share application money pending allotment							
2	Non-Current Liabilities							
	Long-Term Borrowings	I.3	760.86	804.68	582.52	363.63	420.32	110.00
	Other Non-Current Liabilities		-	-	-	-	-	-
	Deferred Tax Liabilities	I.4	104.46	94.67	70.70	52.72	(0.02)	
	Long Term Provisions	I.5	7.65	5.99	3.38	0.45	0.56	
3	Current Liabilities							
	Short Term Borrowings	I.6	1,693.68	1,313.40	1,644.82	927.65	189.09	-
	Trade Payables	I.7	149.48	59.96	31.05	10.21	1.54	-
	Other Current Liabilities	I.8	377.99	148.09	121.70	84.52	105.44	3.15
	Short Term Provisions	I.9	2.84	-	-	-	-	-
	Total		3,917.57	3,160.33	3,081.85	2,007.93	1,313.84	286.15
B.	Assets							
1	Non-Current Assets							
	Fixed Assets							
	Tangible Assets	I.10	1,196.58	1,118.61	1,068.46	954.58	974.69	53.88
	Intangible Assets	I.10	-	-	-	-	-	-
	Capital Work In Progress	I.10	-	-	-	3.47	-	122.02
	Non-Current Investments		-	-	-	-	-	-
	Other Non-Current Assets	I.11	-	-	-	-	-	22.84
	Long Term Loans & Advances	I.12	19.18	15.69	16.51	7.29	6.28	6.26
2	Current Assets							
	Inventories	I.13	1,406.76	658.84	591.36	417.32	201.72	-
	Trade Receivables	I.14	886.00	1,259.07	1,077.22	482.16	92.79	-
	Cash and Bank Balances	I.15	55.89	11.34	181.40	41.46	28.90	1.61
	Short-Term Loans and Advances	I.16	285.90	43.34	119.19	88.68	0.70	79.53
	Other Current Assets	I.17	67.26	53.44	27.71	12.97	8.76	0.01
	Total		3,917.57	3,160.33	3,081.85	2,007.93	1,313.84	286.15

Note : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure IV, II, III.

RESTATED STATEMENT OF PROFIT AND LOSS

(Rs. In Lakhs)

Sr.No	Particulars	Note No.	As at 31st	For The Year Ended March 31,				
			December, 2017	2017	2016	2015	2014	2013
A.	Revenue:							
	Revenue from Operations	II.1	7,812.08	9,768.59	7,781.25	4,447.65	784.03	-
	Other income	II.2	24.67	7.66	23.06	2.51	1.33	-
	Total revenue		7,836.75	9,776.25	7,804.31	4,450.16	785.36	-
B.	Expenses:							
	Cost of Raw Material Consumed	II.3	6,405.76	8,604.68	6,824.64	3,979.01	758.32	-
	Changes in Inventories	II.4	(46.93)	8.20	21.31	(21.82)	(66.59)	-
	Purchase of Stock in Trade		528.77	-	-	-	-	-
	Employees Benefit Expenses	II.5	171.17	179.96	108.11	48.46	7.35	-
	Finance costs	II.6	205.62	232.30	198.63	126.04	33.85	-
	Depreciation and Amortization	II.7	63.11	71.75	60.66	51.00	16.75	-
	Other expenses	II.8	403.35	549.53	514.06	242.85	35.81	-
	Total Expenses		7,730.85	9,646.42	7,727.41	4,425.54	785.49	-
	Profit/(Loss) before exceptional items and tax		105.90	129.83	76.90	24.63	(0.13)	-
	Exceptional Items		-	-	-	-	-	-
	Profit before tax		105.90	129.83	76.90	24.63	(0.13)	-
	Tax expense :							
	Current tax		21.23	26.17	15.29	4.61	0.08	
	Earlier Year Taxes			-	-	-	-	-
	Deferred Tax		9.79	23.97	17.98	52.74	(0.02)	-
	MAT Reverse		(12.19)	(26.17)	(15.29)	(4.57)	(0.08)	
	Profit/(Loss) for the period/ year		87.07	105.86	58.92	(28.15)	(0.11)	-
	Earning per equity share in Rs							
	(1) Basic		1.46	1.77	0.99	-	-	-
	(2) Diluted		1.46	1.77	0.99	-	-	-

Note : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure IV, I, III.

RESTATED STATEMENT OF CASH FLOWS

(Rs. In Lakhs)

Particulars	As at 31st	For The Year Ended March 31,				
	December, 2017	2017	2016	2015	2014	2013
A. CASH FLOW FROM OPERATING ACTIVITIES						
Profit/ (Loss) before tax	105.90	129.83	76.90	24.63	(0.13)	-
Adjustments for:						
Depreciation	63.11	71.75	60.66	51.00	16.75	-
Interest Expense	192.98	218.14	179.78	121.94	33.75	-
Interest/ Other Income Received	(24.67)	(7.66)	(23.06)	(2.40)	(1.33)	-
Operating profit before working capital changes	337.32	412.06	294.28	195.17	49.04	-
Movements in working capital :						
(Increase)/ Decrease in Inventories	(747.92)	(67.48)	(174.04)	(215.60)	(201.72)	-
(Increase)/Decrease in Trade Receivables	373.07	(181.85)	(595.06)	(389.37)	(92.79)	
(Increase)/Decrease in Loans & Advances	(242.56)	75.85	(30.51)	(87.98)	78.83	(79.53)
(Increase)/Decrease in Other Current Assets/ Non-Current Assets	(13.82)	(25.73)	(14.74)	(4.21)	(8.75)	(5.07)
Increase/(Decrease) in Trade Payables and Other Current Liabilities	319.42	55.30	58.02	(12.25)	103.83	3.14
Cash generated from operations	25.51	268.15	(462.05)	(514.25)	(71.56)	(81.46)
Income tax paid during the year	6.19	-	-	-	-	-
Net cash from operating activities (A)	19.32	268.15	(462.05)	(514.25)	(71.56)	(81.46)
B. CASH FLOW FROM INVESTING ACTIVITIES						
Purchase of Fixed Assets	(141.09)	(121.90)	(171.06)	(34.41)	(815.52)	(122.01)
Pre-Operative Expenses	-	-	-	-	22.84	(22.84)
Increase in Long Term Loans & Advances	(3.49)	0.82	(9.22)	(1.01)	(0.02)	
Interest Received / Other Income	24.67	7.66	23.06	2.40	1.33	
Net cash from investing activities (B)	(119.91)	(113.42)	(157.22)	(33.02)	(791.37)	(144.85)
C. CASH FLOW FROM FINANCING ACTIVITIES						
Interest paid on borrowings	(192.98)	(218.14)	(179.78)	(121.94)	(33.75)	-
Proceeds/(Repayment) of Borrowings	336.46	(109.26)	936.06	681.87	499.41	104.54
Proceeds from Share Capital	-	-	-	-	424.00	123.00
Increase in Long Term Provisions	1.66	2.61	2.93	(0.11)	0.56	
Net cash from financing activities (C)	145.14	(324.79)	759.21	559.82	890.22	227.54
Net increase in cash and cash equivalents (A+B+C)	44.55	(170.06)	139.94	12.56	27.29	1.23
Cash and cash equivalents at the beginning of the year	11.34	181.40	41.46	28.90	1.61	0.38
Cash and cash equivalents at the end of the year	55.89	11.34	181.40	41.46	28.90	1.61
Note : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure IV, I, II.						

THE ISSUE

PRESENT ISSUE IN TERMS OF THIS PROSPECTUS	
Equity Shares Issued: Public Issue of Equity Shares by our Company	26,80,000 Equity Shares of ₹ 10/- each for cash at a price of ₹ 30/- per share aggregating to ₹ 804.00 Lakhs
<i>of which</i>	
Issue Reserved for the Market Makers	1,36,000 Equity Shares of ₹ 10/- each for cash at a price of ₹ 30/- per share aggregating ₹ 40.80 Lakhs
Net Issue to the Public*	25,44,000 Equity Shares of ₹ 10/- each for cash at a price of ₹ 30/- per share aggregating ₹ 763.20 Lakhs
	of which
	12,72,000 Equity Shares of ₹ 10/- each for cash at a price of ₹ 30/- per share (including a premium of ₹ 20 per Equity Share) will be available for allocation for allotment to Retail Individual Investors of up to ₹ 2.00 Lacs
	12,72,000 Equity Shares of ₹ 10/- each for cash at a price of ₹ 30/- per share (including a premium of ₹ 20 per Equity Share) will be available for allocation for allotment to Other Investors of above ₹ 2.00 Lacs
Equity Shares outstanding prior to the Issue	72,23,700 Equity Shares of face value of ₹10 each
Equity Shares outstanding after the Issue	99,03,700 Equity Shares of face value of ₹10 each
Objects of the Issue/ Use of Issue Proceeds	Please see the chapter titled “Objects of the Issue” on page 69 of this Prospectus

Fresh Issue of 26,80,000 Equity Shares in terms of Prospectus has been authorized pursuant to a resolution of our Board of Directors dated March 31, 2018 and by special resolution passed under Section 62(1) (c) of the Companies Act, 2013 at the Extra-Ordinary General Meeting of the members held on April 04, 2018.

This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. For further details please see the section titled “Issue Related Information” beginning on page 194 of this Prospectus

*As per Regulation 43(4) of the SEBI (ICDR) Regulations, as amended, the present issue is a fixed price issue ‘the allocation’ is the net issue to the public category shall be made as follows:

- a) Minimum fifty percent to retail individual investors; and
- b) Remaining to other than Retail Individual Investors.

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

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

For further details please refer to the chapter titled “Issue Structure” beginning on page 200 of this Prospectus.



GENERAL INFORMATION

Our Company was originally incorporated on November 28, 2011 as “Megastar Foods Private Limited” vide Registration no. 2011-12/033393 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Punjab and Chandigarh. Further, our Company was converted into Public Limited Company and consequently name of company was changed from “Megastar Foods Private Limited” to “Megastar Foods Limited” vide Special resolution passed by the Shareholders at the Extra-Ordinary General Meeting held on March 09, 2018 and a fresh certificate of incorporation dated March 16, 2018 issued by the Registrar of Companies, Chandigarh.

For further details, please refer to chapter titled “History and Certain Corporate Matters” beginning on page 104 of this Prospectus.

Registered Office of our Company

Megastar Foods Limited

Plot No. 807, Industrial Area,

Phase-II, Chandigarh-160102, India.

Tel. No.: +91-0172-5005024, 2653807

E-mail: info@megastarfoods.com

Website: www.megastarfoods.com

Corporate Identification Number: U15311CH2011PLC033393

For details relating to changes to the address of our Registered Office, please see “History and Certain Corporate Matters - Changes to the address of the Registered Office of our Company” on page 104 of this Prospectus.

Manufacturing unit/Factory & Corporate Office of our Company

Megastar Foods Limited

Kurali-Ropar Road, Village - Solkhian,

Dist. Roopnagar -140108, Punjab, India

Tel No.: +91-01881-240401

E-mail: info@megastarfoods.com

Website: www.megastarfoods.com

Address of Registrar of Companies

Registrar of Companies, Punjab, Chandigarh

Corporate Bhavan, 1st Floor,

Plot No. 4-B, Madhya Marg, Sector 27B

Chandigarh – 160019, Punjab, India

Tel No.: 0172-2639415/2639416

Website: <http://www.mca.gov.in>

Board of Directors of our Company

The Board of Directors of our Company consists of:

Name	Designation	Address	DIN
Mr. Vikas Goel	Chairman Cum Managing Director	H. No. 113, Sector 8, Panchkula-134109, Haryana, India	05122585
Mr. Vikas Gupta	Whole Time Director	H. No. 404, Sector 16, Panchkula-134113, Haryana, India	05123386
Mr. Mudit Goyal	Whole Time Director	H. No. 113, Sector 8, Panchkula-134109, Haryana, India	08099543
Mr. Amit Mittal	Non-Executive Independent Director	House No. 604, G.H.S, Sector 20, Panchkula- 134116, Haryana, India	08099502
Mr. Prabhat Kumar	Non-Executive Independent Director	H. No. 860, Sector 21, Panchkula-134113, Haryana, India	08099531



Mrs. Savita Bansal	Non-Executive Independent Director	H. No 938, Sector 17, Panchkula- 134109, Haryana, India	08099629
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For further details of the Directors of our Company, please refer to the chapter titled “Our Management” on page 108 of this Prospectus.

Company Secretary and Compliance Officer

Ms. Neharika Sodhi

Kurali-Ropar Road, Village-Solkhian,
Dist. Roopnagar -140108, Punjab, India

Tel No.: +91-01881-240401

E-mail: cs@megastarfoods.com

Website: www.megastarfoods.com

Chief Financial Officer

Mr. Vijay Sharma

Kurali-Ropar Road, Village-Solkhian,
Dist. Roopnagar -140108, Punjab, India

Tel No.: +91-01881-240401

E-mail: cfo@megastarfoods.com

Website: www.megastarfoods.com

Investors may contact our Company Secretary and Compliance Officer and/ or the Registrar to the Issue and/ or the Lead Manager, in case of any pre-Issue or post-Issue related problems such as non-receipt of Intimation for Allotment, credit of allotted Equity Shares in the respective beneficiary account.

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

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

For all Issue related queries, and for Redressal of complaints, applicant may also write to the Lead Manager. All complaints, queries or comments received by Stock Exchange shall be forwarded to the Lead Manager, who shall respond to the same

Details of Key Intermediaries pertaining to this Issue and Our Company:

LEAD MANAGER OF THE ISSUE

SWASTIKA INVESTMART LIMITED

305, Madhuban Building, Cochin Street,
S.B.S. Road, Fort, Mumbai, Maharashtra – 400 001.

Tel No.: +91-22-2265 5565

Fax No.: +91-22-664 4300

Email: merchantbanking@swastika.co.in

Investor Grievance Email: investorgrievance@swastika.co.in

Website: www.swastika.co.in

Contact Person: Mr. Mohit R. Goyal

SEBI Regn. No.: INM000012102

LEGAL ADVISOR TO THE ISSUE

SHAH ADVOCATES

C/3/201, Anushruti Tower, Near Jain Temple

Thaltej, Ahmedabad

Tel No.: +91- 079-26880570, 09426837114

Website: www.dshahadvocates.com

Email: dshahadvocate@gmail.com

Contact Person: Mr. Dharmesh Shah

REGISTRAR TO THE ISSUE

SKYLINE FINANCIAL SERVICES PRIVATE LIMITED

D-153A, 1st Floor, Okhla Industrial Area Phase-I,

New Delhi – 110020

Tel No.: +91 11 64732681-88

Fax No.: +91 11 26812682

Email: viren@skylinerta.com ;

Investor Grievance Email: grievances@skylinerta.com

Website: www.skylinerta.com

Contact Person: Mr. Virender Rana

SEBI Regn. No.: INR000003241

BANKERS TO THE COMPANY

UNION BANK OF INDIA

SCO 64-65, Sector 17B,

Chandigarh-160017, India

Tel No.: +91-0172-2779226

Email: chandigarhmain@unionbankofindia.com

Website: www.unionbankofindia.com

Contact Person: Mr. Kamal Verma

Designation: Manager (Credit)

STATUTORY AUDITORS OF THE COMPANY

M/S AVNISH SHARMA & ASSOCIATES

CHARTERED ACCOUNTANTS

SCO-47, 2nd Floor, Sector 20 C,

Dakshin Marg, Chandigarh-160020, Punjab, India

Tel. No.: +91-98729 80396/ +91-0172-4666330

Email: avnishca@hotmail.com

Firm Registration No.: 009398N

Contact Person: Mr. Dinesh Manchanda

Designation: - Partner

PEER REVIEW AUDITORS OF THE COMPANY

M/S MISTRY AND SHAH,

CHARTERED ACCOUNTANTS

8-10, Bhavani Chambers, Near Times of India

Ashram Road, Ahmedabad - 380009,

Gujarat, India

Tel. No: +91-79-40050150

Email: malav@mistryandshah.com

Firm Registration No.: 122702W



Contact Person: Mr. Malav Shah
Designation: - Partner

BANKERS TO THE ISSUE

HDFC BANK LIMITED

FIG-OPS Department, Lodha I

Think Techno Campus, O-3 Level

Next to Kanjurmarg Railway Station,

Kanjurmarg (East) Mumbai – 400042

Contact No – 022-30752927/28/2914

Fax No. – 022-25799801

Email - vincent.dsouza@hdfcbank.com , siddharth.jadhav@hdfcbank.com, prasanna.uchil@hdfcbank.com

Website – www.hdfcbank.com

Attention – Vincent Dsouza/Siddharth Jadav/ Prashant Uchil

SEBI Certificate No. – INBI00000063

CIN – L65920MH1994PLC080618

STATEMENT OF INTER SE ALLOCATION OF RESPONSIBILITIES

Since Swastika Investmart Limited is the sole Lead Manager to this Issue, a statement of inter se allocation of responsibilities among Lead Managers is not required.

SELF CERTIFIED SYNDICATE BANKS (“SCSBS”)

The list of Designated Branches that have been notified by SEBI to act as SCSB for the ASBA process is provided on www.sebi.gov.in/pmd/scsb.pdf For more information on the Designated Branches collecting ASBA Forms, see the above mentioned SEBI link.

The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the application forms from the Designated Intermediaries will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time

REGISTERED BROKERS

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the BSE at www.bseindia.com, as updated from time to time.

REGISTRAR TO THE 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 of Stock Exchange at www.bseindia.com, as updated from time to time.

COLLECTING DEPOSITORY PARTICIPANTS

The list of the CDPs eligible to accept application forms at the Designated CDP Locations, including details such as name and contact details, are provided on the websites of Stock Exchange at www.bseindia.com, as updated from time to time.

BROKERS TO THE ISSUE

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

CREDIT RATING

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

IPO GRADING

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

DEBENTURE TRUSTEES

As the Issue is of Equity Shares, the appointment of Debenture trustees is not required.

TRUSTEES

As the Issue is of Equity Shares, the appointment of Trustees is not mandatory.

MONITORING AGENCY

As per Regulation 16(1) of the SEBI (ICDR) Regulations, 2009 as amended, the requirement of Monitoring Agency is not mandatory if the Issue size is below Rs. 10000.00 Lacs.

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

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

APPRAISING ENTITY

No appraising entity has been appointed in respect of any objects of this Issue

EXPERTS OPINION

Except for the reports in the section "Financial Information of the Company" and "Statement of Tax Benefits" on page 128 and page 78 of this Prospectus from the Statutory Auditor and Peer Review Auditors, our Company has not obtained any expert opinions. We have received written consent from the Peer Review Auditors and Statutory Auditor for inclusion of their name. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act 1933.

WITHDRAWAL OF THE ISSUE

Our Company in consultation with the LM, reserve the right not to proceed with the Issue at any time before the Issue Opening Date without assigning any reason thereof.

If our Company withdraw the Issue any time after the Issue Opening Date but before the allotment of Equity Shares, a public notice within 2 (two) working days of the Issue Closing Date, providing reasons for not proceeding with the Issue shall be issued by our Company. The notice of withdrawal will be issued in the same newspapers where the pre-issue advertisements have appeared and the Stock Exchange will also be informed promptly. The LM, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within 1 (one) working Day from the day of receipt of such instruction.

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

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange with respect to the Equity Shares issued through the Prospectus, which our Company will apply for only after Allotment; and (ii) the final RoC approval of the Prospectus.

UNDERWRITING

The Company, the Lead Manager and Market Maker to the issue hereby confirm that the issue is 100% Underwritten by Swastika Investmart Limited and Beeline Broking Limited in the capacity of Underwriter to the issue.

Pursuant to the terms of the Underwriting Agreement dated April 04, 2018 entered into by Company and Underwriters- Swastika Investmart Limited and Beeline Broking Limited, the obligations of the Underwriter are subject to certain conditions specified therein. The Details of the Underwriting commitments are as under:

Details of the Underwriter	No. of shares underwritten	Amount Underwritten (₹ in Lakh)	% of Total Issue Size Underwritten
SWASTIKA INVESTMART LIMITED 305, Madhuban Building, Cochin Street, S.B.S. Road, Fort, Mumbai- 400001, Maharashtra, India Tel No.: +91-22-2265 5565 Fax No.: +91-22-664 4300 Email: merchantbanking@swastika.co.in Website: www.swastika.co.in SEBI Regn. No.: INM000012102	25,44,000 Equity Shares of ₹ 10/- being Issued at ₹30/-each	763.20	94.93%
BEELINE BROKING LIMITED B-307, Ganesh Plaza, Near Navrangpura Bus Stop, Navrangpura, Ahmedabad – 380 009, Gujarat, India. Tel No.: +91 – 079 – 6666 4011; E-mail: compliance@beelinebroking.com Website: www.beelinebroking.com SEBI Regn No.: INZ000000638 Contact Person: Mr. Vanesh Panchal	1,36,000 Equity Shares of ₹ 10/- being Issued at ₹ 30/-each	40.80	5.07%

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

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

DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS ISSUE

Our Company and the Lead Manager has entered into Market Making Agreement dated April 04, 2018, with the following Market Maker, to fulfill the obligations of Market Making for this Issue:

Name	BEELINE BROKING LIMITED
Correspondence Address:	B-307, Ganesh Plaza, Near Navrangpura Bus Stop, Navrangpura, Ahmedabad – 380 009, Gujarat, India.
Tel No.:	+91 – 079 – 6666 4011
E-mail:	compliance@beelinebroking.com
Website:	www.beelinebroking.com
Contact Person:	Mr. Vanesh Panchal
SEBI Registration No.:	INZ000000638

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

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

1. The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
2. The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of SME Platform BSE of stock exchange and SEBI from time to time.
3. The minimum depth of the quote shall be ₹ 1, 00,000. However, the investors with holdings of value less than ₹ 1,00,000 shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
4. The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the SME Platform (in this case currently the minimum trading lot size is 4000 equity shares; however, the same may be changed by the SME Platform of BSE from time to time).
5. After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our company reaches to 25% of Issue Size. Any Equity Shares allotted to Market Maker under this Issue over and above 25% of Issue Size would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduces to 24% of Issue Size, the Market Maker will resume providing 2 way quotes.
6. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, BSE may intimate the same to SEBI after due verification.
7. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
8. 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.
9. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
10. The Market Maker(s) shall have the right to terminate said arrangement by giving a three months' notice or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker(s).

In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 106V of the SEBI (ICDR) Regulations, 2009. Further our Company and the Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particulars point of time. The Market Making Agreement is available for inspection at our registered office from 11.00 a.m. to 5.00 p.m. on working days.

11. **Risk containment measures and monitoring for Market Makers:** BSE SME Exchange will have all margins, which are applicable on the BSE main board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.
12. **Price Band and Spreads:** SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to ₹ 250 crores, the applicable price bands for the first day shall be:
 - a. In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.

- b. In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the issue price.
- c. Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading.

The following spread will be applicable on the SME Exchange Platform.

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

13. **Punitive Action in case of default by Market Makers:** BSE SME Exchange 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.

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

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

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

CAPITAL STRUCTURE

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

Amount (Rs. in Lacs, except share data)

Sr. No.	Particulars	Aggregate nominal Value	Aggregate Value at Issue Price
A	Authorized Share Capital 1,50,00,000 Equity Shares having Face Value of Rs 10/- each	1500.00	-
B	Issued, Subscribed & Paid-up Share Capital before the Issue 72,23,700 Equity Shares having Face Value of Rs.10/- each fully paid up before the Issue.	722.37	-
C	Present Issue in terms of the Prospectus 26,80,000 Equity Shares having Face Value of Rs.10/- each with a premium of ₹ 20/- per Equity Share.	268.00	804.00
	Which Comprises		
I.	Reservation for Market Maker portion 1,36,000 Equity Shares of Rs. 10/- each at a premium of ₹ 20/-per Equity Share	13.60	40.80
II.	Net Issue to the Public 25,44,000 Equity Shares of Rs.10/- each at a premium of ₹ 20/- per Equity Share	254.40	763.20
	of which		
	12,72,000 Equity Shares of Rs.10/- each at a premium of ₹20/- per Equity Share will be available for allocation for allotment to Retail Individual Investors applying for a value of up to Rs. 2.00 Lacs	127.20	381.60
	12,72,000 Equity Shares of Rs.10/- each at a premium of ₹20/- per Equity Share will be available for allocation for allotment to Other Investors applying for a value of above Rs. 2.00 Lacs	127.20	381.60
D	Issued, Subscribed and Paid up Equity Share capital after the Issue 99,03,700 Equity Shares having Face Value of ₹ 10/- each	990.37	-
E	Securities Premium Account Before the Issue After the Issue		--- 536.00*

*The amount disclosed is prior to deduction of Issue expenses.

The Present Issue of 26,80,000 Equity Shares in terms of Prospectus has been authorized pursuant to a resolution of our Board of Directors dated March 31, 2018 and by special resolution passed under Section 62(1) (c) of the Companies Act, 2013 at the Extra-Ordinary General Meeting of the members held on April 04, 2018.

Class of Shares

Our Company has only one class of share capital i.e. Equity Shares of Rs.10/- each only. All Equity Shares issued are fully paid up. Our Company does not have any outstanding convertible instruments as on the date of the Prospectus.

Details of changes in Authorized Share Capital of our Company:

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

- The Initial Authorised share capital of our Company was ₹50.00 Lakh divided into 5,00,000 Equity Shares of ₹10/- each. This Authorised capital was increased to ₹ 200.00 Lakh divided into 20,00,000 Equity Shares of ₹ 10/- each pursuant to a resolution passed by the Shareholders in Extra-Ordinary General Meeting held on March 25, 2013.
- The Authorised capital of our Company of ₹ 200.00 Lakh divided into 20,00,000 Equity Shares of ₹10/- each was increased to ₹ 600.00 Lakh divided into 60,00,000 Equity Shares of ₹ 10/- each pursuant to a resolution passed by the Shareholders in Extra-Ordinary General Meeting held on March 24, 2014.

- c) The Authorised capital of our Company of ₹ 600.00 Lakh divided into 60,00,000 Equity Shares of ₹ 10/- each was increased to ₹ 1500.00 Lakh divided into 1,50,00,000 Equity Shares of ₹ 10/- each pursuant to a resolution passed by the Shareholders in Extra-Ordinary General Meeting held on March 09, 2018.

Notes to Capital Structure

1. Equity Share Capital History of our Company:

- (a) The history of the equity share capital and the securities premium account of our company are set out in the following table: -

Date of Allotment / Date of Fully Paid Up	No. of Equity Shares allotted	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Nature of Allotment	Cumulative No. of Equity Shares	Cumulative Paid Up Share Capital (Rs.)	Cumulative Securities Premium (Rs.)
On Incorporation*	5,00,000	10	10	Cash	Subscription to MOA ⁽ⁱ⁾	5,00,000	50,00,000	Nil
March 31, 2013	12,30,000	10	10	Cash	Further Allotment ⁽ⁱⁱ⁾	17,30,000	1,73,00,000	Nil
March 31, 2014	42,40,000	10	10	Cash	Further Allotment ⁽ⁱⁱⁱ⁾	59,70,000	5,97,00,000	Nil
March 23, 2018 [^]	12,53,700	10	--	Other than cash	Bonus Issue ^(iv)	72,23,700	7,22,37,000	Nil

* The Shares was subscribed to Initial Subscriber to Memorandum of Association on November 26, 2011.

[^]Bonus issue of 12,53,700 equity shares in the ratio of 21:100 dated March 23, 2018 has been issued by Capitalization of Reserve & Surplus of the Company.

All the above mentioned shares are fully paid up upto the date of allotment.

Notes:

- (i) Initial Subscribers to the Memorandum of Association subscribed 5,00,000 Equity Shares of Face Value of Rs. 10/- each, details of which are given below:

S. No.	Names of Person	Number of Shares Allotted
1.	Mr. Vikas Gupta	1,00,000
2.	Mr. Satpal Gupta	50,000
3.	Mrs. Shivani Gupta	16,600
4.	Mr. Vikas Goel	83,350
5.	Mr. Pankaj Goyal	83,350
6.	Mr. Sanjay Verma	86,700
7.	Mr. Aniket Verma	40,000
8.	Mr. Abhishek Verma	40,000
	Total	5,00,000

- (ii) Further allotment of 12,30,000 Equity Shares of Face Value of Rs. 10/- each fully paid:

S. No.	Names of Person	Number of Shares Allotted
1.	Mr. Vikas Goel	3,10,000
2.	Mr. Vikas Gupta	3,10,000
3.	Mr. Pankaj Goyal	3,00,000
4.	Mr. Sanjay Verma	3,10,000
	Total	12,30,000

(iii) Further allotment of 42,40,000 Equity Shares of Face Value of Rs. 10/- each fully paid

S. No.	Names of Person	Number of Shares Allotted
1.	Mr. Abhishek Verma	2,00,000
2.	Mr. Aniket Verma	1,50,000
3.	Mr. Satpal Gupta	2,00,000
4.	Mrs. Shivani Gupta	2,00,000
5.	Mr. Pankaj Goyal	8,00,000
6.	Mr. Vikas Gupta	15,00,000
7.	Mr. Vikas Goel	11,90,000
	Total	42,40,000

(iv) Bonus allotment of 12,53,700 Equity Shares of Face Value of Rs. 10/- each fully paid in the ration 21:100 i.e. 21 Bonus Equity Shares for every 100 Equity Shares held:

S. No.	Names of Person	Number of Shares Allotted
1.	Mr. Vikas Gupta	4,01,100
2.	Mr. Satpal Gupta	52,500
3.	Mrs. Shivani Gupta	45,486
4.	Mr. Vikas Goel	4,32,610
5.	Mr. Pankaj Goyal	2,48,504
6.	Mr. Madan Lal Aggarwal	42,000
7.	Mr. Mudit Goyal	31,500
	Total	12,53,700

b) As on the date of the Prospectus, our Company does not have any preference share capital.

2. Issue of Equity Shares for consideration other than cash

Except as disclosed in point 1 (a) (iv) above, we have not issued any Equity Shares for consideration other than cash.

3. Details of Allotment made in the last two years preceding the date of the Prospectus:

Except as disclosed in point 1 (a) (iv) above, we have not issued any Equity Shares in the last two years preceding the date of the Prospectus

- No Equity Shares have been allotted pursuant to any scheme approved under Section 391-394 of the Companies Act, 1956 and relevant section of 230-240 of Companies Act 2013.
- We have not revalued our assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
- Except as mentioned below, no Equity Shares have been issued which may at price below the Issue Price within last one year from the date of the Prospectus.

Date of Allotment	Allottees	No. of Equity Shares Allotted	Face Value (in ₹)	Issue Price (in ₹)	Reason for Allotment	Category of Allottees
March 23, 2018	Mr. Vikas Gupta	4,01,100	10	-	Bonus Issue of Shares in ratio of 21:100	Promoter
	Mr. Satpal Gupta	52,500				Promoter Group
	Mrs. Shivani Gupta	45,486				Promoter Group
	Mr. Vikas Goel	4,32,610				Promoter
	Mr. Pankaj Goyal	2,48,504				Promoter Group
	Mr. Madan Lal Aggarwal	42,000				Promoter Group
	Mr. Mudit Goyal	31,500				Promoter Group

7. Capital Build up in respect of shareholding of our Promoters:

As on date of the Prospectus, our promoters Mr. Vikas Goel and Mr. Vikas Gupta holds 24,92,660 and 21,03,900 Equity Shares respectively of our Company. None of the Equity Shares held by our Promoters are subject to any pledge.

Date of Allotment and made fully paid up /transfer	Nature of Issue	No. of Equity Shares	Face Value Per Share (₹)	Issue /Acquisition/ Transfer Price per Equity Share (₹)*	Pre-Issue Shareholding %	Post-Issue Shareholding %	Lock in Period	Source of Funds
Mr. Vikas Goel								
November 26, 2011	On Incorporation	83,350	10	10	1.15	0.84	1 Year	Own fund
March 31, 2013	Further Allotment	3,10,000	10	10	4.29	3.13	1 Year	Own fund
March 31, 2014	Further Allotment	10,25,000	10	10	14.19	10.35	3 Years	Own fund
		1,65,000			2.28	1.67	1 Year	
August 10, 2016	Acquisition of Shares by way of Transfer ⁽ⁱ⁾	4,76,700	10	10	6.60	4.81	1 Year	--
		1,50,000			2.08	1.51	--	
February 17, 2018	Transfer ⁽ⁱⁱ⁾	(1,50,000)	10	--	(2.08)	(1.51)	--	--
March 23, 2018	Bonus Issue	4,32,610	10	--	5.99	4.37	1 Year	--
Total (A)		24,92,660			34.51	25.17		
Mr. Vikas Gupta								
November 26, 2011	On Incorporation	1,00,000	10	10	1.38	1.00	--	Own fund
March 31, 2013	Further Allotment	1,07,200	10	10	1.48	1.08	--	Own fund
		2,02,800			2.81	2.05	1 Year	
March 31, 2014	Further Allotment	10,25,000	10	10	14.19	10.35	3 Years	Own fund
		4,75,000			6.58	4.80	1 Year	
March 23, 2018	Bonus Issue	4,01,100	10	--	5.55	4.05	1 Year	--
March 23, 2018	Transfer ⁽ⁱⁱⁱ⁾	(2,07,200)	10	14.50	(2.87)	(2.09)	--	--
Total (B)		21,03,900			29.12	21.24		
Grand Total (A+B)		45,96,560			63.63	46.41		

(i) Details of Acquisition of Share by Mr. Vikas Goel dated August 10, 2016.

S. No.	Date of Transfer	Name of Transferor	No. of Share Transfer	Name of Transferee
1.	August 10, 2016	Mr. Sanjay Verma	3,96,700	Mr. Vikas Goel
2.		Mr. Aniket Verma	1,90,000	
3.		Mr. Abhishek Verma	40,000	
Total			6,26,700	

(ii) Details of Transfer of Share by Mr. Vikas Goel dated February 17, 2018.

S. No.	Date of Transfer	Name of Transferor	No. of Share Transfer	Name of Transferee
1.	February 17, 2018	Mr. Vikas Goel	1,50,000	Mr. Mudit Goyal
Total			1,50,000	

(iii) Details of Transfer of Share by Mr. Vikas Gupta dated March 23, 2018.

S. No.	Date of Transfer	Name of Transferor	No. of Share Transfer	Name of Transferee
1.	March 23, 2018	Mr. Vikas Gupta	2,07,200	Mrs. Roopkanta Arun Raj
Total			2,07,200	

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

Name of the Promoter	No. of Shares held	Average Cost of Acquisition per Share (In Rs.)*
Mr. Vikas Goel	24,92,660	8.87
Mr. Vikas Gupta	21,03,900	7.65

*Average cost of acquisition is calculated on the basis of face value of equity shares of Rs. 10/- each.

9. Except as provided below there are no Equity Shares purchased/acquired or sold by our Promoters, Promoter Group and/or by our Directors and their immediate relatives within six months immediately preceding the date of filing of the Prospectus.

Date of Transaction	Number of Equity Shares Allotted/Acquired/Sold	Face Value (Rs.)	Issue Price/Acquired Price (Rs.)*	Nature	Nature of Consideration	Name of the Allottees/Transferor/transfer ee	Category
January 20, 2018	2,00,000	10	10	Acquisition by way of Consideration	Cash	Mrs. Raksha Rani	Relative of Director
	(2,00,000)	10	10	Transfer by way of Consideration	Cash	Mr. Avinash Goel	Previous Director
February 17, 2018	2,00,000	10	10	Acquisition by way of Consideration	Cash	Mr. Madan Lal Aggarwal	Promoter Group
	(2,00,000)	10	10	Transfer by way of Consideration	Cash	Mrs. Raksha Rani	Promoter Group
February 17, 2018	(1,50,000)	10	--	Transfer by way of Gift	Gift	Mr. Vikas Goel	Promoter
	1,50,000	10	--	Acquisition by way of Gift	Gift	Mr. Mudit Goyal	Promoter Group & Whole Time Director
March 23, 2018	(2,07,200)	10	14.50	Transfer by way of Consideration	Cash	Mr. Vikas Gupta	Promoter
	(3,10,800)	10	14.50	Transfer by way of Consideration	Cash	Mr. Pankaj Goyal	Promoter Group
March 23, 2018	4,01,100	10	--	Bonus	--	Mr. Vikas Gupta	Promoter and Whole Time Director
	52,500	10	--		--	Mr. Satpal Gupta	Promoter Group & Director
	45,486	10	--		--	Mrs. Shivani Gupta	Promoter Group
	4,32,610	10	--		--	Mr. Vikas Goel	Promoter & Managing Director
	2,48,504	10	--		--	Mr. Pankaj Goyal	Promoter Group
	42,000	10	--		--	Mr. Madan Lal Aggarwal	Promoter Group
	31,500	10	--		--	Mr. Mudit Goyal	Promoter Group & Whole Time Director
May 05, 2018	2,42,000	10	--	Acquired by way of Gift	Gift	Mrs. Indira Rani	Promoter Group
May 05, 2018	(2,42,000)	10	--	Transfer by way of Gift	Gift	Mr. Madan Lal Aggarwal	Promoter Group

*The maximum and minimum price at which the aforesaid transaction was made is NIL and Rs. 14.50/-

10. Details of the Pre and Post Issue Shareholding of our Promoter and Promoter Group as on the date of the Prospectus is as below: -

S. No	Names	Pre Issue		Post Issue	
		Shares Held	% Shares Held	Shares Held	% Shares Held
	Promoter				
1.	Mr. Vikas Goel	24,92,660	34.51	24,92,660	25.17
2.	Mr. Vikas Gupta	21,03,900	29.12	21,03,900	21.24
	TOTAL (A)	45,96,560	63.63	45,96,560	46.41
	Promoter Group				
1.	Mr. Mudit Goyal	1,81,500	2.51	1,81,500	1.83
2.	Mr. Pankaj Goyal	11,21,054	15.52	11,21,054	11.32
3.	Mr. Satpal Gupta	3,02,500	4.19	3,02,500	3.05
4.	Mrs. Shivani Gupta	2,62,086	3.63	2,62,086	2.65
5.	Mrs. Indira Rani	2,42,000	3.35	2,42,000	2.44
	TOTAL (B)	21,09,140	29.20	21,09,140	21.30
	GRAND TOTAL (A+B)	67,05,700	92.83	67,05,700	67.71

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

Date of Allotment / transfer of fully paid up Shares	Date when made Fully paid up	Nature of Allotment/ Acquired/Transfer	No. of shares Allotted/ Acquired Transferred	Face Value (Rs.)	Issue Price/ Transfer Price (Rs.)	% of Pre Issue Shareholding	% of Post Issue Shareholding	Lock in Period
Mr. Vikas Goel								
March 31, 2014	March 31, 2014	Further Allotment	10,25,000	10	10	14.19	10.35	3 years
Mr. Vikas Gupta								
March 31, 2014	March 31, 2014	Further Allotment	10,25,000	10	10	14.19	10.35	3 years
Total			20,50,000			28.38	20.70	

The minimum Promoter's contribution has been brought in to the extent of not less than the specified minimum lot and from persons defined as "promoter" under the SEBI ICDR Regulations. All Equity Shares, which are being locked in are not ineligible for computation of Minimum Promoters Contribution as per Regulation 33 of the SEBI ICDR Regulations and are being locked in for 3 years as per Regulation 36(a) of the SEBI ICDR Regulations i.e. for a period of three years from the date of allotment of Equity Shares in this Issue.

No Equity Shares proposed to be locked-in as Minimum Promoters Contribution have been issued out of revaluation reserve or for consideration other than cash and revaluation of assets or capitalization of intangible assets, involved in such transactions.

The entire pre-Issue shareholding of the Promoters, other than the Minimum Promoters contribution which is locked in for three years, shall be locked in for a period of one year from the date of allotment in this Issue.

Our Promoter, Mr. Vikas Goel and Vikas Gupta has, by a written undertaking, consented to has 20,50,000 Equity Shares held by him to be locked in as Minimum Promoters Contribution for a period of three years from the date of allotment in this Issue and will not be disposed/sold/transferred by the promoter during the period starting from the date of filing this Prospectus with SME Platform of BSE till the date of commencement of lock-in period as stated in this Prospectus. The Equity Shares under the Promoters contribution will constitute 20.70% of our post-Issue paid up share capital.

Our Promoters have also consented that the Promoters contribution under Regulation 32 of the SEBI ICDR Regulations will not be less than 20% of the post Issue paid up capital of our Company.

Eligibility of Share for “Minimum Promoters Contribution in terms of clauses of Regulation 33 (1) of SEBI (ICDR) Regulations, 2009

Reg. No.	Promoters’ Minimum Contribution Conditions	Eligibility Status of Equity Shares forming part of Promoter’s Contribution
33(1) (a) (i)	Specified securities acquired during the preceding three years, if they are acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets is involved in such transaction	The Minimum Promoter’s contribution does not consist of such Equity Shares which have been acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets. <u>Hence Eligible</u>
33 (1) (a) (ii)	Specified securities acquired during the preceding three years, resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the issuer or from bonus issue against Equity Shares which are ineligible for minimum promoters’ contribution	The minimum Promoter’s contribution does not consist of such Equity Shares. <u>Hence Eligible</u>
33 (1) (b)	Specified securities acquired by promoters during the preceding one year at a price lower than the price at which specified securities are being issued to public in the initial public issue	The minimum Promoter’s contribution does not consist of such Equity Shares. <u>Hence Eligible.</u>
33 (1) I	Specified securities allotted to promoters during the preceding one year at a price less than the issue price, against funds brought in by them during that period, in case of an issuer formed by conversion of one or more partnership firms, where the partners of the erstwhile partnership firms are the promoters of the issuer and there is no change in the management: Provided that specified securities, allotted to promoters against capital existing in such firms for a period of more than one year on a continuous basis, shall be eligible	The minimum Promoter’s contribution does not consist of such Equity Shares. <u>Hence Eligible.</u>
33 (1) (d)	Specified securities pledged with any creditor.	Our Promoter’s has not Pledged any shares with any creditors. Accordingly, the minimum Promoter’s contribution does not consist of such Equity Shares. <u>Hence Eligible.</u>

Details of Share Capital Locked In For One Year

In terms of Regulation 36(b) and 37 of the SEBI ICDR Regulations, in addition to the Minimum Promoters contribution which is locked in for 3 (three) years, as specified above, the entire pre-issue equity share capital held by promoters and entire pre-issue capital held by persons other than promoters of our Company i.e. Promoter Group and Public constituting 51,73,700 Equity Shares shall be locked in for a period of 1 (one) year from the date of allotment of Equity Shares in this Issue.

The Equity Shares which are subject to lock-in shall carry inscription ‘**non-transferable**’ along with the duration of specified non-transferable period mentioned in the face of the security certificate. The shares which are in dematerialized form, if any, shall be locked-in by the respective depositories. The details of lock-in of the Equity Shares shall also be provided to the Designated Stock Exchange before the listing of the Equity Shares.

Other requirements in respect of lock-in:

- In terms of Regulation 39 of the SEBI ICDR Regulations, the locked in Equity Shares held by the Promoters, as specified above, can be pledged with any scheduled commercial bank or public financial institution as collateral security for loan granted by such bank or institution provided that the pledge of Equity Shares is one of the terms of the sanction of the loan. Provided that securities locked in as minimum promoter contribution may be pledged only if, in addition to fulfilling the above requirements, the loan has been granted by such bank or institution, for the purpose of financing one or more of the objects of the Issue.

- b) In terms of Regulation 40 of the SEBI ICDR Regulations, the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other person holding the Equity Shares which are locked in as per Regulation 36 or 37 of the SEBI ICDR Regulations, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.

Further in terms of Regulation 40 of the SEBI ICDR Regulations, the Equity Shares held by the Promoters may be transferred to and amongst the Promoter Group or to new promoters or persons in control of the company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.



12. Our Shareholding Pattern

The table below represents the shareholding pattern of our Company in accordance with Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as on the date of the Prospectus:

I – Summary of Shareholding Pattern: -

Category y	Category of shareholder	Nos. of share holders	No. of fully paid up equity shares held	No. of Partly paid- up equity shares held	No. of shares underlyi ng Deposito ry Receipts	Total nos. shares held	Shareholdi ng as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*			No. of Shares Underlyin g Outstandi ng convertibl e securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in demateri alized form
								No of Voting Rights		Total as a % of (A+B+ C)			N o. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Share s held (b)	
								Class Equity Shares of Rs.10/- each^	Total								
I	II	III	IV	V	VI	VII = IV+V+VI	VIII	IX			X	XI=VII+X	XII	XIII	XIV		
(A)	Promoter & Promoter Group	7	67,05,700	-	-	67,05,700	92.83	67,05,700	67,05,700	92.83	-	92.83	-	-	-		
(B)	Public	2	5,18,000			5,18,000	7.17	5,18,000	5,18,000	7.17		7.17	-	-	-		
I	Non Promoter- Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
(C2)	Shares held by Emp. Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	Total	9	72,23,700	-	-	72,23,700	100.00	72,23,700	72,23,700	100.00	-	100.00	-	-	-		

*As on date of this Prospectus 1 Equity share holds 1 vote.

^ We have only one class of Equity Shares of face value of Rs. 10/- each.

13. The Top Ten Shareholders of our Company and their Shareholding is set forth below: -

As on the date of the Prospectus, our Company has 9 (Nine) shareholders.

a) Our top ten shareholders as on the date of filing of the Prospectus are as follow:

S. No.	Names	Shares Held (Face Value of Rs. 10 each)	% shares held (% Pre Issue paid up Capital)
1.	Mr. Vikas Goel	24,92,660	34.51
2.	Mr. Vikas Gupta	21,03,900	29.12
3.	Mr. Pankaj Goyal	11,21,054	15.52
4.	Mrs. Roopkanta Arun Raj	4,68,000	6.48
5.	Mr. Satpal Gupta	3,02,500	4.19
6.	Mrs. Shivani Gupta	2,62,086	3.63
7.	Mrs. Indira Rani	2,42,000	3.35
8.	Mr. Mudit Goyal	1,81,500	2.51
9.	Mr. Suresh Kumar	50,000	0.69
	Total	72,23,700	100.00

b) Our top ten shareholders 10 days prior filing of the Prospectus are as follows:

S.No.	Names	Shares Held (Face Value of Rs. 10 each)	% shares held (% Pre Issue paid up Capital)
1.	Mr. Vikas Goel	24,92,660	34.51
2.	Mr. Vikas Gupta	21,03,900	29.12
3.	Mr. Pankaj Goyal	11,21,054	15.52
4.	Mrs. Roopkanta Arun Raj	4,68,000	6.48
5.	Mr. Satpal Gupta	3,02,500	4.19
6.	Mrs. Shivani Gupta	2,62,086	3.63
7.	Mr. Madan Lal Aggarwal	2,42,000	3.35
8.	Mr. Mudit Goyal	1,81,500	2.51
9.	Mr. Suresh Kumar	50,000	0.69
	Total	72,23,700	100.00

c) Details of top ten shareholders of our Company two years prior to the date of filing of the Prospectus are as follows:

S.No.	Names	Shares Held (Face Value of Rs. 10 each)	% of Paid Up Equity Shares as on 2 years prior to the date of filing of the Prospectus
1.	Mr. Vikas Gupta	19,10,000	31.99
2.	Mr. Vikas Goel	15,83,350	26.52
3.	Mr. Pankaj Goyal	11,83,350	19.82
4.	Mr. Sanjay Verma	3,96,700	6.64
5.	Mr. Satpal Gupta	2,50,000	4.19
6.	Mr. Abhishek verma	2,40,000	4.02
7.	Mrs. Shivani Gupta	2,16,600	3.63
8.	Mr. Aniket Verma	1,90,000	3.18
	Total	59,70,000	100.00

*Details of shares held on March 31, 2016 and Percentage held has been calculated based on the paid up capital of our company as on March 31, 2016.

14. Except as mentioned below no public shareholders are holding more than 1% of the pre-Issue share capital of our Company.

S. No.	Names	Shares Held (Face Value of Rs. 10 each)	% shares held (% Pre Issue paid up Capital)
1.	Mrs. Roopkanta Arun Raj	4,68,000	6.48
	Total	4,68,000	6.48

15. Except as mentioned below, there is no subscription to or sale or purchase of the securities of our Company within three years preceding the date of filing of the Prospectus by our Promoters or Directors or Promoter Group which in aggregate equals to or is greater than 1% of the pre- issue share capital of our Company.

S. No.	Name of Shareholders	Date of Transaction	Promoter/ Promoter Group/ Director	Number of Equity Shares Subscribed to/ Acquired	Number of Equity Shares Sold	Subscribed/ Acquired/ Transferred
1.	Mr. Vikas Goel	10.08.2016	Promoter & Managing Director	6,26,700	--	Acquired
2.	Mr. Sanjay Verma	10.08.2016	Subscriber to MOA	--	3,96,700	Transferred
3.	Mr. Aniket Verma	10.08.2016	Subscriber to MOA	--	1,90,000	Transferred
4.	Mr. Abhishek Verma	10.08.2016	Subscriber to MOA	--	2,40,000	Transferred
5.	Mr. Avinash Goel	10.08.2016	Previous Director	2,00,000	--	Acquired
6.	Mr. Avinash Goel	20.01.2018	Previous Director	--	2,00,000	Transferred
7.	Mrs. Raksha Rani	20.01.2018	Relative of Director	2,00,000	--	Acquired
8.	Mr. Vikas Goel	17.02.2018	Promoter & Managing Director	--	1,50,000	Transferred
9.	Mr. Mudit Goyal	17.02.2018	Promoter Group and Whole-time Director	1,50,000	--	Acquired
10.	Mrs. Raksha Rani	17.02.2018	Relative of Director	--	2,00,000	Transferred
11.	Mr. Madan Lal Aggarwal	17.02.2018	Promoter Group	2,00,000	--	Acquired
12.	Mr. Vikas Gupta	23.03.2018	Promoter	4,01,100	--	Subscribed
13.	Mr. Satpal Gupta	23.03.2018	Promoter Group	52,500	--	Subscribed
14.	Mrs. Shivani Gupta	23.03.2018	Promoter Group	45,486	--	Subscribed
15.	Mr. Vikas Goel	23.03.2018	Promoter	4,32,610	--	Subscribed
16.	Mr. Pankaj Goyal	23.03.2018	Promoter Group	2,48,504	--	Subscribed
17.	Mr. Madan Lal Aggarwal	23.03.2018	Promoter Group	42,000	--	Subscribed
18.	Mr. Mudit Goyal	23.03.2018	Promoter Group	31,500	--	Subscribed
19.	Mr. Vikas Gupta	23.03.2018	Promoter	--	2,07,200	Transferred
20.	Mr. Pankaj Goyal	23.03.2018	Promoter Group		3,10,800	Transferred
21.	Mr. Madan Lal Aggarwal	05.05.2018	Promoter Group	--	2,42,000	Transferred
22.	Mrs. Indira Rani	05.05.2018	Promoter Group	2,42,000	--	Acquired

16. None of our Directors or Key Managerial Personnel hold any Equity Shares other than as set out below:

Name	Designation	No. of Equity Shares held
Mr. Vikas Goel	Chairman cum Managing Director	24,92,660
Mr. Vikas Gupta	Whole Time Director	21,03,900
Mr. Mudit Goyal	Whole Time Director	1,81,500

17. None of our Promoters, Promoter Group, Directors and their relatives has entered into any financing arrangement or financed the purchase of the Equity Shares of our Company by any other person during the period of six months immediately preceding the date of filing of the Prospectus.

18. Neither, we nor our Promoters, Directors and the Lead Manager to this Issue have entered into any buyback and / or standby arrangements and / or similar arrangements for the purchase of our Equity Shares from any person.
19. As on the date of filing of the Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments which would entitle Promoters or any shareholders or any other person, any option to acquire our Equity Shares after this Initial Public Offer.
20. As on the date of the Prospectus, the entire Issued Share Capital, Subscribed and Paid up Share Capital of our Company is fully paid up.
21. Our Company has not raised any bridge loan against the proceeds of the Issue.
22. Since the entire Issue price per share is being called up on application, all the successful applicants will be allotted fully paid-up shares.
23. As on the date of the Prospectus, none of the shares held by our Promoters / Promoters Group are subject to any pledge.
24. The Lead Manager i.e. Swastika Investmart Limited and their associates do not hold any Equity Shares in our Company as on the date of filing of the Prospectus.
25. We here by confirm that there will be no further issue of capital whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of the Prospectus until the Equity Shares Issued have been listed or application moneys refunded on account of failure of Issue.
26. Our Company does not presently intend or propose to alter its capital structure for a period of six months from the date of opening of the Issue, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether preferential or otherwise. This is except if we enter into acquisition or joint ventures or make investments, in which case we may consider raising additional capital to fund such activity or use Equity Shares as a currency for acquisition or participation in such joint ventures or investments
27. None of our Equity Shares have been issued out of revaluation reserve created out of revaluation of assets.
28. An over-subscription to the extent of 10% of the total Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Issue. In such an event, the Equity Shares held by the Promoter is used for allotment and lock- in for three years shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
29. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the LM and Designated Stock Exchange i.e. BSE. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.
30. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 43 (4) of SEBI (ICDR) Regulations, 2009 and its amendments from time to time.
31. The unsubscribed portion in any reserved category (if any) may be added to any other reserved category.
32. The unsubscribed portion if any, after such inter se adjustments among the reserved categories shall be added back to the net issue to the public portion.
33. At any given point of time there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.
34. Our Company shall comply with such disclosure and accounting norms as may be specified by BSE, SEBI and other regulatory authorities from time to time.

35. As on the date of the Prospectus, Our Company has not issued any equity shares under any employee stock option scheme and we do not have any Employees Stock Option Scheme / Employees Stock Purchase Scheme.
36. There are no Equity Shares against which depository receipts have been issued.
37. Other than the Equity Shares, there is no other class of securities issued by our Company as on date of filing of the Prospectus.
38. We have 9 (Nine) Shareholders as on the date of filing of the Prospectus.
39. There are no safety net arrangements for this Public Issue.
40. Our Promoters and Promoter Group will not participate in this Issue.
41. This Issue is being made through Fixed Price method.
42. Except as disclosed in the Prospectus, our Company has not made any public issue or rights issue of any kind or class of securities since its incorporation to the date of the Prospectus.
43. No person connected with the Issue shall issue any incentive, whether direct or indirect, in the nature of discount, commission, and allowance, or otherwise, whether in cash, kind, services or otherwise, to any Applicant.
44. We shall ensure that transactions in Equity Shares by the Promoters and members of the Promoter Group, if any, between the date of registering the Prospectus with the RoC and the Issue Closing Date are reported to the Stock Exchanges within 24 hours of such transactions being completed.

OBJECTS OF THE ISSUE

The Issue includes a public Issue of 26,80,000 Equity Shares of our Company at an Issue Price of ₹ 30/- per Equity Share

The Fresh Issue

The Net Proceeds from the Fresh Issue will be utilized towards the following objects:

1. To Meet Working Capital Requirement
2. General Corporate Purpose
3. To Meet the Issue Expenses

(Collectively referred as the “objects”)

We believe that listing will enhance our corporate image and visibility of brand name of our Company. We also believe that our Company will receive the benefits from listing of Equity Shares on the SME Platform of BSE. It will also provide liquidity to the existing shareholders and will also create a public trading market for the Equity Shares of our Company.

Our Company is primarily in the business of producer and supplier of wheat flour, organic wheat flour and allied products. The main objects clause of our Memorandum enables our Company to undertake its existing activities and these activities which have been carried out until now by our Company are valid in terms of the objects clause of our Memorandum of Association.

Requirement of Funds: -

The following table summarizes the requirement of funds:

S. No	Particulars	Amt. (₹ in Lacs)	% of Total Issue Size
1.	To Meet Working Capital Requirement	650.00	80.85%
2.	General Corporate Expenses	112.60	14.00%
3.	Public Issue Expenses	41.40	5.15%
Gross Issue Proceeds		804.00	100.00%
Less: Issue Expenses		41.40	
Net Issue Proceeds		762.60	

Utilization of Net Issue Proceeds: The Net Issue Proceeds will be utilized for following purpose:

S. No	Particulars	Amt. (₹ in Lacs)
1.	To Meet Working Capital Requirement	650.00
2.	General Corporate Expenses	112.60
	Total	762.60

Means of Finance: -We intend to finance our Objects of Issue through Net Issue Proceeds which is as follows:

Particulars	Amt. (₹ in Lacs)
Net Issue Proceeds	762.60
Total	762.60

Since the entire fund requirement are to be funded from the proceeds of the Issue, there is no requirement to make firm arrangements of finance under Regulation 4(2) (g) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the proposed Issue.

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

In case of any increase in the actual utilization of funds earmarked for the Objects, such additional funds for a particular activity will be met by way of means available to our Company, including from internal accruals. If the actual utilization towards any of the Objects is lower than the proposed deployment such balance will be used for future growth opportunities including funding existing objects, if required. In case of delays in raising funds from the Issue, our Company may deploy certain amounts towards any of the above mentioned Objects through a combination of Internal Accruals or Unsecured Loans (Bridge Financing) and in such case the Funds raised shall be utilized towards repayment of such Unsecured Loans or recouping of Internal Accruals. However, we confirm that no bridge financing has been availed as on date, which is subject to being repaid from the Issue Proceeds.

We further confirm that no part proceed of the Issue shall be utilised for repayment of any Part of unsecured loan outstanding as on date of Prospectus.

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

For further details on the risks involved in our business plans and executing our business strategies, please see the section titled "Risk Factors" beginning on page 16 of the Prospectus.

Details of Use of Issue Proceeds:

1. To Meet Working Capital Requirement

Our Company is in business of manufacturing and supplier of wheat flour, organic wheat flour and allied products. The Company will meet the requirement to the extent of ₹ 650.00 from the Net Proceeds of the Issue and balance from borrowings at an appropriate time as per the requirement.

Details of Estimation of Working Capital requirement are as follows:

(₹ In Lacs)				
S. No.	Particulars	Actual (Restated)	Provisional	Estimated
		31-March-17	31-March-18	31-March-19
I	Current Assets			
	Trade receivables	1259.07	887.60	1141.00
	Cash and cash equivalents	11.34	35.40	46.86
	Inventories	658.84	1897.20	2252.50
	Other Current Assets	96.78	114.62	281.78
	Total(A)	2026.03	2934.82	3722.14
II	Current Liabilities			
	Trade payables	59.96	97.84	35.75
	Current Maturity of Long term debt	113.53	135.85	157.45
	Other Current Liabilities	34.56	58.26	34.00
	Total (B)	208.05	291.95	227.20
III	Total Working Capital Gap (A-B)	1817.98	2642.87	3494.94
IV	Funding Pattern			
	Short term borrowing & Internal Accruals	1817.98	2642.87	2844.94
	IPO Proceeds			650.00

Justification:

S. No.	Particulars
Debtors	We expect Debtors holding days to be at 1 Month for FY 2018-19 based on increased sales of Products and better credit Management policies ensuring timely recovery of dues.

Creditors	We expect Creditors payments days to be 0.02 Month due to reduction in credit period.
Inventories	We expects Inventory levels of Raw Material to maintain at 2.10 Months approx. and Finished Goods to maintain at 0.12 Months approx. for FY 2018-19 due to their production cycle, increase in sales and maintaining required level of Inventory.

2. General Corporate Purposes

Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. We intend to deploy the balance Fresh Issue proceeds aggregating ₹ 112.60 Lacs towards the general corporate purposes to drive our business growth. In accordance with the policies set up by our Board, we have flexibility in applying the remaining Net Proceeds, for general corporate purpose including but not restricted to, meeting operating expenses, initial development costs for projects other than the identified projects, and the strengthening of our business development and marketing capabilities, meeting exigencies, which the Company in the ordinary course of business may not foresee or any other purposes as approved by our Board of Directors, subject to compliance with the necessary provisions of the Companies Act.

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

3. Public Issue Expenses: -

The estimated Issue related expenses includes Issue Management Fee, Underwriting and Selling Commissions, Printing and Distribution Expenses, Legal Fee, Advertisement Expenses, Registrar's Fees, Depository Fee and Listing Fee. The total expenses for this Issue are estimated to be approximately ₹ 41.40 Lacs which is 5.15% of the Issue Size. All the Issue related expenses shall be proportionately met out from proceeds of the Issue as per applicable laws. The break-up of the same is as follows:

Activity	Rs. In Lacs
Payment to Merchant Banker including underwriting and selling commissions, brokerages, payment to other intermediaries such as Legal Advisors, Registrars, etc*	29.40
Printing and Stationery and postage expenses	2.00
Advertising and Marketing expenses	2.00
Statutory expenses	8.00
Total Estimated Issue Expenses	41.40

*Included Commission/ processing fees for SCSB, Brokerage and selling commission for Registered Brokers, RTA's and CDPs

Proposed Schedule of Implementation:

The proposed year wise break up of deployment of funds and Schedule of Implementation of Net Issue Proceeds is as under:

(₹ In Lakhs)

S. No.	Particulars	Amount to be deployed and utilized in F.Y. 18-19
1.	To Meet Working Capital Requirement	650.00
2.	General Corporate Purpose	112.60
	Total	762.60

Funds Deployed and Source of Funds Deployed:

Our Statutory Auditors M/s. **Avnish Sharma & Associates**, Chartered Accountants vide their certificate dated April 23, 2018 have confirmed that as on date of certificate the following funds have been deployed for the proposed object of the Issue:

Particulars	Amount (₹ in Lakh)*
Issue Expenses	0.95
Total	0.95

* Amount inclusive of applicable taxes.

Sources of Financing for the Funds Deployed:

Our Statutory Auditors **M/s. Avnish Sharma & Associates**, Chartered Accountants vide their certificate dated April 23, 2018 have confirmed that as on date of certificate the following funds have been deployed for the proposed object of the Issue:

Particulars	Amount (₹ in Lakh)*
Internal Accruals	0.95
Total	0.95

* Amount inclusive of applicable taxes.

Appraisal

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

Shortfall of Funds

Any shortfall in meeting the fund requirements will be met by way of internal accruals and or unsecured Loans.

Bridge Financing Facilities

As on the date of this Prospectus, we have not raised any bridge loans which are proposed to be repaid from the Net Proceeds.

Monitoring Utilization of Funds

The Audit committee & the Board of Directors of our Company will monitor the utilization of funds raised through this public issue. Pursuant to Regulation 32 of SEBI Listing Regulation 2015, our Company shall on half-yearly basis disclose to the Audit Committee the Applications of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full. The statement of funds utilized will be certified by the Statutory Auditors of our Company.

Interim Use of Proceeds

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

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

Variation in Objects

In accordance with Section 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 and shall be published in accordance with the Companies Act and the rules there under. As per the current provisions of the Companies Act, our Promoter or controlling Shareholders would be required to provide an exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

**Other confirmations**

There is no material existing or anticipated transactions with our Promoter, our Directors, our Company's key Managerial personnel and Group Companies, in relation to the utilization of the Net Proceeds. No part of the proceeds of the Issue will be paid by us to the Promoter and Promoter Group, Group Companies, the Directors, associates or Key Management Personnel, except in the normal course of business and in compliance with applicable law.

BASIC TERMS OF ISSUE

Authority for the Present Issue

Fresh Issue

This Issue in terms of this Prospectus has been authorized by the Board of Directors pursuant to a resolution dated March 31, 2018 and by the shareholders pursuant to a special resolution passed in an Extra-Ordinary General Meeting held on April 04, 2018 under section 62 (1) (c) of the Companies Act, 2013.

Terms of the Issue

The Equity Shares, being issued, shall be subject to the provisions of the Companies Act, SEBI ICDR Regulations, SCRA, SCRR, the Memorandum and Articles of Association, the terms and conditions of the Prospectus, Prospectus, Application form, Confirmation of Allocation Note (“CAN”), the guidelines for listing of securities issued by the Government of India and the Depositories Act, Stock Exchange, RBI, RoC and/or other authorities as in force on the date of the Issue and to the extent applicable.

In addition, the Equity Shares shall also be subject to such other conditions as may be incorporated in the Share Certificates, as per the SEBI (ICDR) Regulations, 2009, notifications and other regulations for the issue of capital and listing of securities laid down from time to time by the Government of India and/or other authorities and other documents that may be executed in respect of the Equity Shares.

Face Value	Each Equity Share shall have the face value of ₹ 10.00 each.
Issue Price	Each Equity Share is being issued at a price of ₹ 30/- each and is 3.0 times of Face Value.
Market Lot and Trading Lot	The Market lot and Trading lot for the Equity Share is 4000 and the multiple of 4000; subject to a minimum allotment of 4000 Equity Shares to the successful Applicant.
Terms of Payment	100% of the issue price i.e. ₹ 30/- per share shall be payable on Application. For more details please refer “Terms of the Issue” beginning to page 194 of this Prospectus.
Ranking of the Equity Shares	The Equity Shares being issued pursuant to this issue shall be subject to the provisions of Companies Act, Memorandum and Articles of Association of the Company and shall rank pari passu in all respects including dividends with the existing Equity Shares of the Company. The Allottees in receipt of Allotment of Equity Shares under this Issue will be entitled to dividends and other corporate benefits, if any, declared by the Company after the date of Allotment. For further details, please see “Main Provisions of the Articles of Association” on page 245 of this Prospectus.

Minimum Subscription

In accordance with Regulation [106P] (1) of SEBI ICDR Regulations, this Issue is 100% underwritten. Also, in accordance with explanation to Regulation [106P] (1) of SEBI ICDR Regulations the underwriting shall not be restricted up to the minimum subscription level.

If our Company does not receive subscription of 100% of the Issue including devolvement of Underwriters within 60 (Sixty) days from the date of closure of the Issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond the prescribed time, our Company shall pay interest prescribed in the Companies Act, the SEBI (ICDR) Regulations and other applicable Laws, if any.

Further, In accordance with Regulation [106R] of SEBI ICDR Regulations, No allotment shall be made pursuant to the Issue, if the number of prospective allottees is less than 50 (fifty).

For further details, please refer to section titled “Terms of the Issue” beginning on page 194 of this Prospectus.

BASIS FOR ISSUE PRICE

Investors should read the following summary with the section titled “Risk Factors”, the details about our Company under the section titled “Our Business” and its financial statements under the section titled “Financial Information of the Company” beginning on page 16, page 88 and page 128 respectively of this Prospectus. The trading price of the Equity Shares of our Company could decline due to these risks and the investor may lose all or part of his investment.

The Issue Price has been determined by the Company in consultation with the LM on the basis of the key business strengths of our Company. The face value of the Equity Shares is Rs. 10 and Issue Price is ₹ 30/- which is 3.0 times of the face value.

QUALITATIVE FACTORS

- Wide range of Products and hygienic
- Existing Client Base
- Existing Supplier Relationship
- Experienced Promoters and Management Expertise

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to sections titled “Our Business” beginning on page 88 of this Prospectus.

QUANTITATIVE FACTORS

Information presented below is derived from our Company’s Restated Financial Statements prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis for computing the price, are as follows:

1. Basic & Diluted Earnings per share (EPS), as adjusted for change in capital:

S. No	Period	Basic & Diluted (₹)	Weights
1.	FY 2014-15	0.00	1
2.	FY 2015-16	0.82	2
3.	FY 2016-17	1.47	3
	Weighted Average	1.00	6
	For the Stub Period December 31, 2017*	1.21	

* Not annualized

Notes:

- i. The figures disclosed above are based on the restated financial statements of the Company.
- ii. The face value of each Equity Share is ₹ 10.00.
- iii. Earnings per Share has been calculated in accordance with **Accounting Standard 20 – “Earnings per Share”** issued by the Institute of Chartered Accountants of India.
- iv. The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in Annexure IV.

2. Price Earning (P/E) Ratio in relation to the Issue Price of ₹ 30/-per share:

S. No	Particulars	P/E
1	P/E ratio based on the Basic & Diluted EPS, as restated for FY 2016-17	20.47
2	P/E ratio based on the Weighted Average EPS	30.00

Peer Group P/ E*

S. No	Particulars	P/E
1	Highest (Vadilal Industries Limited)	117.10
2	Lowest (Lakshmi Energy and Foods Limited)	2.30
	Industry Composite	38.30

*Source: Capital Market Vol. XXXIII/05 April 23 – May 06, 2018 – Food Processing Industry

3. Return on Net worth (RoNW)*

S. No	Period	RONW (%)	Weights
1.	FY 2014-15	(4.95)	1
2.	FY 2015-16	9.39	2
3.	FY 2016-17	14.43	3
	Weighted Average	9.52	6
	For the Stub Period December 31, 2017	10.61	

*Restated Profit after tax/Net Worth

4. Minimum Return on Net Worth after Issue to maintain Pre-Issue EPS

(a) Based on Basic and Diluted EPS, as restated of FY 2016-17 of ₹ 1.47 at the Issue Price of ₹ 30/- per share:

- 8.93% on the restated financial statements.

(b) Based on Weighted Average Basic and Diluted EPS, as adjusted of ₹ 1.00 at the Issue Price of ₹ 30/- per share:

- 6.12% on the restated financial statements.

5. Net Asset Value (NAV) per Equity Share:

Sr. No.	As at	NAV (₹)
1.	March 31, 2015	9.53
2.	March 31, 2016	10.51
3.	March 31, 2017	12.29
4.	December 31, 2017	13.75
5.	NAV after Issue	16.40
	Issue Price	30.00

6. Comparison of Accounting Ratios with Industry Peers¹

S. No.	Name of Company	Results Type	Face Value (₹)	EPS (₹) ³	PE ⁴	RoNW (%)	NAV per Share (₹)
1.	DFM Foods Limited	Standalone	10	15.80	74.90	21.80	80.60
2.	Megastar Foods Limited ²	Standalone	10	1.47	20.47	14.43	12.29

¹ *Source: Capital Market Vol. XXXIII/05 April 23 – May 06, 2018.

² Based on March 31, 2017 restated financial statements

³ Basic & Diluted Earnings per share (EPS) is calculated on weighted average number of shares after considering Bonus Issue of Shares.

⁴ Price Earning (P/E) Ratio in relation to the Issue Price of ₹30/-per share.

7. The face value of our shares is ₹ 10.00 per share and the Issue Price is of ₹ 30/- per share which is 3.0 times of the face value.

8. Our Company in consultation with the Lead Manager believes that the Issue Price of ₹ 30/- 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 Auditors' Report in the offer Document to have more informed view about the investment.

Investors should read the above mentioned information along with section titled "Our Business", "Risk Factors" and "Financial Information of the Company" beginning on page 88, 16 and 128 respectively including important profitability and return ratios, as set out in "**Annexure IX**" to the Financial Information of the Company on page 156 of this Prospectus to have a more informed view.



STATEMENT OF TAX BENEFITS

To,

**The Board of Directors,
Megastar Foods Limited**
Plot No. 807, Industrial Area, Phase-II,
Chandigarh-160102, India

Dear Sir,

Subject: Statement of possible tax benefits ('the Statement') available to Megastar Foods Limited ('the Company') and its shareholders prepared in accordance with the requirement in SCHEDULE VIII – CLAUSE (VII) (L) of Securities and Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations 2009, as amended ('the Regulation')

We hereby report that the enclosed annexure prepared by the Company, states the possible special Tax benefits available to the Company and the shareholders of the Company under the Income – Tax Act, 1961 ('Act'), 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 tax benefits is dependent upon fulfilling such conditions which, based on 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 statements are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. Our views are based on facts and assumptions indicated to us and the existing provisions of tax law and its interpretations, which are subject to change or modification from time to time by subsequent legislative, regulatory, administrative, or judicial decisions. Any such changes, which could also be retrospective, could have an effect on the validity of our views stated herein. We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein. This report including enclosed annexure are intended solely for your information and for the inclusion in the Draft Prospectus/ Prospectus or any other issue related material in connection with the proposed initial public offer of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

FOR M/S. AVNISH SHARMA & ASSOCIATES
Chartered Accountants
F.R.N.: 009398N

Dinesh Manchanda
Partner
M. No. 097591

Place: 23.04.2018
Date: Chandigarh

ANNEXURE TO THE STATEMENT OF POSSIBLE TAX BENEFITS

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

SECTION IV – ABOUT THE COMPANY

INDUSTRY OVERVIEW

The information in this section has been extracted from various websites and publicly available documents from various industry sources. The data may have been re-classified by us for the purpose of presentation. None of the Company and any other person connected with the Issue have independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projection forecasts and assumptions that may prove to be incorrect. Accordingly, investors should not place undue reliance on information.

GLOBAL OUTLOOK

The global economy is experiencing a cyclical recovery, reflecting a rebound in investment, manufacturing activity, and trade. This improvement comes against the backdrop of benign global financing conditions, generally accommodative policies, rising confidence, and firming commodity prices. Global GDP growth is estimated to have picked up from 2.4 percent in 2016 to 3 percent in 2017, above the June forecast of 2.7 percent. The upturn is broadbased, with growth increasing in more than half of the world's economies. In particular, the rebound in global investment growth—which accounted for three quarters of the acceleration in global GDP growth from 2016 to 2017—was supported by favorable financing costs, rising profits, and improved business sentiment across both advanced economies and emerging market and developing economies (EMDEs). This synchronous, investment-led recovery is providing a substantial boost to global exports and imports in the near term.

In advanced economies, growth in 2017 is estimated to have rebounded to 2.3 percent, driven by a pickup in capital spending, a turnaround in inventories, and strengthening external demand. While growth accelerated in all major economies, the improvement was markedly stronger than expected in the Euro Area.

Growth among EMDEs is estimated to have accelerated to 4.3 percent in 2017, reflecting firming activity in commodity exporters and continued solid growth in commodity importers. Most EMDE regions benefited from a recovery in exports. The improvement in economic activity among commodity exporters took place as key economies—such as Brazil and the Russian Federation—emerged from recession, prices of most commodities rose, confidence improved, the drag from earlier policy tightening diminished, and investment growth bottomed out after a prolonged period of weakness. Nonetheless, the estimated pace of growth in commodity exporters in 2017, at 1.8 percent, was still subdued and not enough to improve average per capita incomes, which continued to stagnate after two consecutive years of contraction.

Global growth is projected to edge up to 3.1 percent in 2018, as the cyclical momentum continues, and then slightly moderate to an average of 3 percent in 2019-20. This broadly steady forecast masks marked differences between the outlook for advanced economies and EMDEs. Growth in advanced economies is projected to slow, as labor market slack diminishes and monetary policy accommodation is gradually unwound, moving closer to subdued potential growth rates, which remain constrained by aging populations and weak productivity trends.

Conversely, growth in EMDEs is expected to accelerate, reaching 4.5 percent in 2018 and an average of 4.7 percent in 2019-20. This mainly reflects a further pickup of growth in commodity exporters, which is forecast to rise to 2.7 percent in 2018 and to an average of 3.1 percent in 2019-20, as oil and other commodity prices firm and the effects of the earlier commodity price collapse dissipate. Growth in commodity importers is projected to remain stable, averaging 5.7 percent in 2018-20, as a gradual slowdown in China is offset by a pickup in some other large economies. Within the broader group of EMDEs, growth in low-income countries is projected to rise to 5.4 percent in 2018 and to 5.6 percent on average in 2019-20, as conditions gradually improve in oil and metals-exporting economies.

Despite the projected firming of activity among EMDEs over the forecast horizon, their underlying potential growth—which has fallen considerably over the past decade—appears likely to further decline over the next 10 years, reflecting a more subdued pace of capital accumulation, slowing productivity growth, and less favorable demographic trends.

Although risks to the global outlook continue to be tilted to the downside, they are more balanced than in previous forecast exercises. This is mainly due to the possibility of stronger-than-expected growth in the largest advanced economies and EMDEs—

reflecting, for instance, a more pronounced investment-led recovery in the United States and the Euro Area, or a faster rebound in large commodity exporters. If these positive surprises were to materialize, they could have beneficial international spillovers.

Nonetheless, there remain important downside risks. Disorderly financial market movements, such as an abrupt tightening of global financing conditions or a sudden rise in financial market volatility, could trigger financial turbulence and potentially derail the expansion. The adverse effects of rising borrowing costs could be particularly acute for those EMDEs with large external financing needs, fragile corporate balance sheets, and significant fiscal sustainability gaps. In addition, escalating trade protectionism or rising geopolitical risk could also negatively affect confidence, trade, and overall economic activity. Over the longer term, a more pronounced slowdown in potential output growth in both advanced economies and EMDEs would make the global economy more vulnerable to shocks and worsen prospects for improved living standards.

This outlook underscores the need for policymakers in both advanced economies and EMDEs to shift their focus toward boosting potential growth in the longer term. With unemployment rates returning to pre-crisis levels and recoveries firming in advanced economies, monetary and fiscal policy accommodation become less of a priority, and productivity enhancing reforms have become increasingly urgent as the pressures on underlying growth from population aging intensify. Among EMDEs, output gaps are near zero in commodity importers but still negative in commodity exporters, suggesting a continued need to nurture the cyclical recovery in the latter, even though fiscal space remains constrained.

Beyond cyclical considerations, EMDEs face the challenge of an expected further decline in potential growth. This argues strongly for the urgency of implementing structural policies, such as improvements in education and health systems; high-quality investment; and labor market, governance, and business climate reforms. All of these efforts will be critical to boost long-term growth prospects, alleviate poverty, and, if accompanied by a rising number of skilled workers in EMDEs thanks to better education outcomes, to help reduce global inequality. In addition to these challenges, oil-exporting EMDEs—which suffered large losses in actual and potential output due to the 2014-16 oil price collapse—need to pursue policies that bolster diversification and resilience to oil price fluctuations.

Major economies: Recent developments and outlook

Growth in advanced economies strengthened in 2017, reaching an estimated 2.3 percent—0.4 percentage point above previous forecasts—helped by a recovery in capital spending and exports. The pickup in investment reflected increased capacity utilization, favorable financing conditions, and rising profits and business sentiment. Confidence was supported by the fact that policy uncertainty, albeit still elevated, diminished during the year. Consumption growth was stable, as continued labor market improvements offset the dampening impact of a rebound in energy prices. The recovery was substantially stronger than expected in the Euro Area and, to a lesser degree, in the United States and Japan. Despite the strengthening of activity, inflation in advanced economies remained subdued in 2017. Over the forecast horizon, advanced-economy growth is expected to moderate slightly in 2018, to 2.2 percent, and to average 1.8 percent in 2019-20—close to the upper bound of potential growth estimates. This path reflects the unwinding of a cyclical upturn in investment and further normalization of monetary policy, as advanced economy output gaps close.

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

INDIAN ECONOMY OVERVIEW

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organisation (CSO) and International Monetary Fund (IMF) and it is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships. India's GDP increased 7.1 per cent in 2016-17 and is expected to reach a growth rate of 7 per cent by September 2018.

Market size

India's gross domestic product (GDP) grew by 6.3 per cent in July-September 2017 quarter as per the Central Statistics Organisation (CSO). Corporate earnings in India are expected to grow by over 20 per cent in FY 2017-18 supported by normalisation of profits, especially in sectors like automobiles and banks, according to Bloomberg consensus.

The tax collection figures between April-June 2017 Quarter show an increase in Net Indirect taxes by 30.8 per cent and an increase in Net Direct Taxes by 24.79 per cent year-on-year, indicating a steady trend of healthy growth. The total number of e-filed Income

Tax Returns rose 21 per cent year-on-year to 42.1 million in 2016-17 (till 28.02.17), whereas the number of e returns processed during the same period stood at 43 million.

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\$ 404.92 billion in the week up to December 22, 2017, according to data from the RBI.

Recent Developments

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:

- Indian companies raised Rs 1.6 trillion (US\$ 24.96 billion) through primary market in 2017.
- Moody's upgraded India's sovereign rating after 14 years to Baa2 with a stable economic outlook.
- India received net investments of US\$ 17.412 million from FIIs between April-October 2017.
- The top 100 companies in India are leading in the world in terms of disclosing their spending on corporate social responsibility (CSR), according to a 49-country study by global consultancy giant, KPMG.
- The bank recapitalisation plan by Government of India is expected to push credit growth in the country to 15 per cent, according to a report by Ambit Capital.
- India has improved its ranking in the World Bank's Doing Business Report by 30 spots over its 2017 ranking and is ranked 100 among 190 countries in 2018 edition of the report.
- India's ranking in the world has improved to 126 in terms of its per capita GDP, based on purchasing power parity (PPP) as it increased to US\$ 7,170 in 2017, as per data from the International Monetary Fund (IMF).
- The Government of India has saved US\$ 10 billion in subsidies through direct benefit transfers with the use of technology, Aadhaar and bank accounts, as per a statement by Mr Narendra Modi, Prime Minister of India.
- 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 total projected expenditure of Union Budget 2018-19 is Rs 23.4 lakh crore (US\$ 371.81 billion), 9 per cent higher than previous year's budget, as laid out in the Medium Term Expenditure Framework (MTEF).
- India received the highest ever inflow of equity in the form of foreign direct investments (FDI) worth US\$ 43.4 billion in 2016-17 and has become one of the most open global economies by ushering in liberalisation measures, as per the mid-year economic survey of India.
- 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.
- The Niti Aayog has predicted that rapid adoption of green mobility solutions like public transport, electric vehicles and car-pooling could likely help India save around Rs 3.9 trillion (US\$ 60 billion) in 2030.
- Indian impact investments may grow 25 per cent annually to US\$ 40 billion from US\$ 4 billion by 2025, as per Mr Anil Sinha, Global Impact Investing Network's (GIIN's) advisor for South Asia.
- The Union Cabinet, Government of India, has approved the Central Goods and Services Tax (CGST), Integrated GST (IGST), Union Territory GST (UTGST), and Compensation Bill.
- Indian merchandise exports in dollar terms registered a growth of 30.55 per cent year-on-year in November 2017 at US\$ 26.19 billion, according to the data from Ministry of Commerce & Industry
- The Nikkei India manufacturing Purchasing Managers' Index increased at the fastest pace in December 2017 to reach 54.7, signaling a recovery in the economy.

Government Initiatives

In the Union Budget 2017-18, the Finance Minister, Mr Arun Jaitley, verified that the major push of the budget proposals is on growth stimulation, providing relief to the middle class, providing affordable housing, curbing black money, digitalisation of the economy, enhancing transparency in political funding and simplifying the tax administration in the country.

India's unemployment rate has declined to 4.8 per cent in February 2017 compared to 9.5 per cent in August 2016, as a result of the Government's increased focus towards rural jobs and the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) scheme.

The Government of Maharashtra has set a target to double farm income by 2022 through measures like large scale micro irrigation, water conservation, expansion of formal cash credit coverage, crop insurance and agriculture diversification, as per Mr Vidyasagar Rao, Governor of Maharashtra.

Numerous foreign companies are setting up their facilities in India on account of various government initiatives like Make in India and Digital India. Mr. Narendra Modi, Prime Minister of India, has launched the Make in India initiative with an aim to boost the manufacturing sector of Indian economy, to increase the purchasing power of an average Indian consumer, which would further boost demand, and hence spur development, in addition to benefiting investors. The Government of India, under the Make in India initiative, is trying to give boost to the contribution made by the manufacturing sector and aims to take it up to 25 per cent of the GDP from the current 17 per cent. Besides, the Government has also come up with Digital India initiative, which focuses on three core components: creation of digital infrastructure, delivering services digitally and to increase the digital literacy.

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

- The Government of India has succeeded in providing road connectivity to 85 per cent of the 178,184 eligible rural habitations in the country under its Pradhan Mantri Gram Sadak Yojana (PMGSY) since its launch in 2014.
- A total of 15,183 villages have been electrified in India between April 2015-November 2017 and complete electrification of all villages is expected by May 2018, according to Mr Raj Kumar Singh, Minister of State (IC) for Power and New & Renewable Energy, Government of India.
- The Government of India has decided to invest Rs 2.11 trillion (US\$ 32.9 billion) to recapitalise public sector banks over the next two years and Rs 7 trillion (US\$ 109.31 billion) for construction of new roads and highways over the next five years.
- The mid-term review of India's Foreign Trade Policy (FTP) 2015-20 has been released by Ministry of Commerce & Industry, Government of India, under which annual incentives for labour intensive MSME sectors have been increased by 2 per cent.
- The India-Japan Act East Forum, under which India and Japan will work on development projects in the North-East Region of India will be a milestone for bilateral relations between the two countries, according to Mr Kenji Hiramatsu, Ambassador of Japan to India.
- The Government of India will spend around Rs 1 lakh crore (US\$ 15.62 billion) during FY 18-20 to build roads in the country under Pradhan Mantri Gram Sadak Yojana (PMGSY).
- The Government of India plans to facilitate partnerships between gram panchayats, private companies and other social organisations, to push for rural development under its 'Mission Antyodaya' and has already selected 50,000 panchayats across the country for the same.
- The fiscal deficit of the Government of India, which was 4.5 per cent of the gross domestic product (GDP) in 2013-14, has steadily reduced to 3.5 per cent in 2016-17 and is expected to further decrease to 3.2 per cent of the GDP in 2017-18, according to the Reserve Bank of India (RBI).
- The Government of India plans to implement a new scheme, named 'Sasti Bijli Har Ghar Yojana' with an outlay of Rs 17,000 crore (US\$ 2.64 billion), to provide electricity to around 40 million un-electrified households in the country.
- The Government of India and the Government of Portugal have signed 11 bilateral agreements in areas of outer space, double taxation, and nano technology, among others, which will help in strengthening the economic ties between the two countries.
- India's revenue receipts are estimated to touch Rs 28-30 trillion (US\$ 436- 467 billion) by 2019, owing to Government of India's measures to strengthen infrastructure and reforms like demonetisation and Goods and Services Tax (GST).

Road Ahead

India's gross domestic product (GDP) is expected to reach US\$ 6 trillion by FY27 and achieve upper-middle income status on the back of digitisation, globalisation, favourable demographics, and reforms. India is also focusing on renewable sources to generate energy. It is planning to achieve 40 per cent of its energy from non-fossil sources by 2030 which is currently 30 per cent and also have plans to increase its renewable energy capacity from 57 GW to 175 GW by 2022.

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

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

FMCG INDUSTRY

Fast moving consumer goods (FMCG) is the 4th largest sector in the Indian economy. There are three main segments in the sector – food and beverages which accounts for 19 per cent of the sector, healthcare which accounts for 31 per cent and household and personal care which accounts for the remaining 50 per cent.

The FMCG sector has grown from US\$ 31.6 billion in 2011 to US\$ 49 billion in 2016. The sector is further expected to grow at a Compound Annual Growth Rate (CAGR) of 20.6 per cent to reach US\$ 103.7 billion by 2020. FMCG revenue grew 14.8 per cent during October-December 2017.

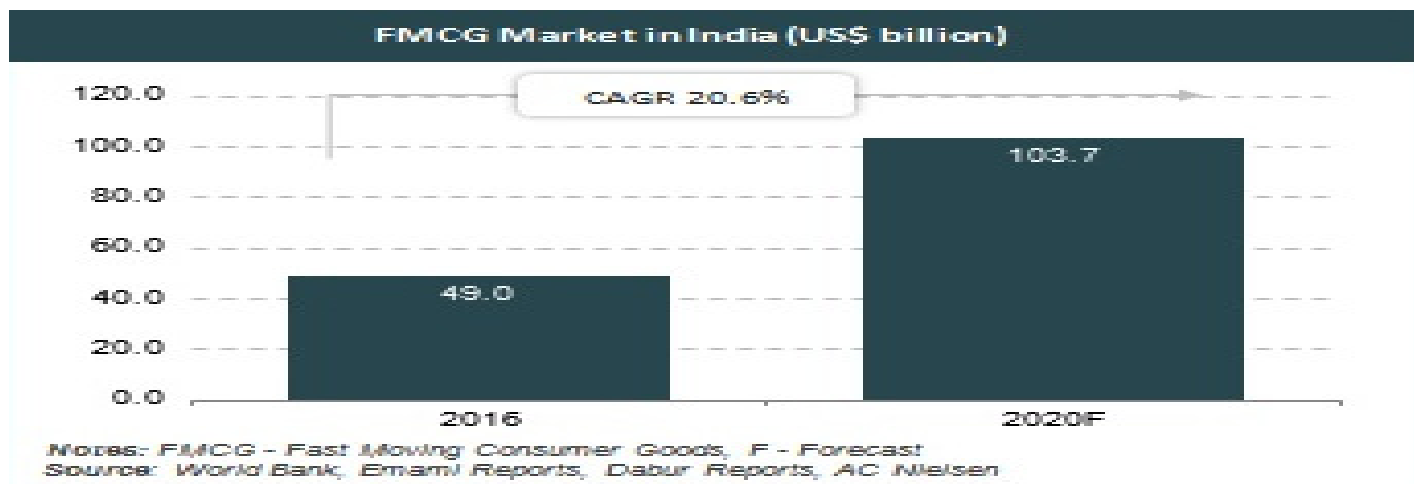
Accounting for a revenue share of around 60 per cent, rural segment is the largest contributor to the overall revenue generated by the FMCG sector in India and recorded a market size of around US\$ 29.4 billion in 2016 and is expected to grow to US\$ 220 billion in 2025. Demand for quality goods and services have been going up in rural areas of India, on the back of improved distribution channels of manufacturing and FMCG companies. Semi-urban and urban segments accounted for a revenue share of 40 per cent in the overall revenues recorded by FMCG sector in India.

FMCG Companies are looking to invest in energy efficient plants to benefit the society and lower costs in the long term.

Growing awareness, easier access, and changing lifestyles are the key growth drivers for the consumer market. The focus on agriculture, MSMEs, education, healthcare, infrastructure and employment under the Union Budget 2018-19 is expected to directly impact the FMCG sector. These initiatives are expected to increase the disposable income in the hands of the common people, especially in the rural area, which will be beneficial for the sector.

Indian FMCG Industry Analysis

- Rise in rural consumption to drive the FMCG market.
- The rural FMCG market in India is expected to grow at a CAGR of 14.6 per cent, and reach US\$ 220 billion by 2025 from US\$ 29.4 billion in 2016.



Introduction

Fast-moving consumer goods (FMCG) sector is the 4th largest sector in the Indian economy with Household and Personal Care accounting for 50 per cent of FMCG sales in India. Growing awareness, easier access and changing lifestyles have been the key growth drivers for the sector. The urban segment (accounts for a revenue share of around 40 per cent) is the largest contributor to the overall revenue generated by the FMCG sector in India and recorded a market size of around US\$ 29.4 billion in 2016-17. However, in the last few years, the FMCG market has grown at a faster pace in rural India compared with urban India. Semi-urban and rural segments are growing at a rapid pace and FMCG products account for 50 per cent of total rural spending.

Market Size

The Retail market in India is estimated to reach US\$ 1.1 trillion by 2020 from US\$ 672 billion in 2016, with modern trade expected to grow at 20 per cent - 25 per cent per annum, which is likely to boost revenues of FMCG companies. In 2016-17, revenue for FMCG sector have reached US\$ 49 billion and is expected to grow at 9-9.5 per cent in FY18 supported by expectations of the total consumption expenditure reaching nearly US\$ 3,600 billion by 2020 from US\$ 1,469 billion in 2015. Direct selling sector in India is expected to reach Rs 159.3 billion (US\$ 2.5 billion) by 2021, if provided with a conducive environment through reforms and regulation. #

Investments/ Developments

The government has allowed 100 per cent Foreign Direct Investment (FDI) in food processing and single-brand retail and 51 per cent in multi-brand retail. This would bolster employment and supply chains, and also provide high visibility for FMCG brands in organised retail markets, bolstering consumer spending and encouraging more product launches. The sector witnessed healthy FDI inflows of US\$ 13.07 billion, during April 2000 to December 2017. Some of the recent developments in the FMCG sector are as follows:

- The Hershey Co plans to invest US\$ 50 million over the next five years in India, its fastest growing core market outside of US.
- As a part of its Rs 25,000 crore (US\$ 3.88 billion) investment package, ITC will invest Rs 10,000 crore (US\$ 1.55 billion) to expand its food processing segment.
- The bottling arm of Coca-Cola India, Hindustan Coca-Cola Beverages (HCCB) is planning to increase its retail reach by one million new outlets and is targeting a revenue of US\$ 2.5 billion by 2020.
- Future Retail will acquire Hyper City, which is owned by Shoppers Stop for Rs 911 crore (US\$ 139.7 million) to further consolidate its business and have a better footing in the hypermarket segment.

Government initiatives

Some of the major initiatives taken by the government to promote the FMCG sector in India are as follows:

- In the Union Budget 2017-18, the Government of India has proposed to spend more on the rural side with an aim to double the farmer's income in five years; as well as the cut in income tax rate targeting mainly the small tax payers, focus on affordable housing and infrastructure development will provide multiple growth drivers for the consumer market industry.
- The Government of India's decision to allow 100 per cent Foreign Direct Investment (FDI) in online retail of goods and services through the automatic route has provided clarity on the existing businesses of e-commerce companies operating in India.
- With the demand for skilled labour growing among Indian industries, the government plans to train 500 million people by 2022 and is also encouraging private players and entrepreneurs to invest in the venture. Many governments, corporate and educational organisations are working towards providing training and education to create a skilled workforce.
- The Government of India has drafted a new Consumer Protection Bill with special emphasis on setting up an extensive mechanism to ensure simple, speedy, accessible, affordable and timely delivery of justice to consumers.
- The Goods and Services Tax (GST) is beneficial for the FMCG industry as many of the FMCG products such as Soap, Toothpaste and Hair oil now come under 18 per cent tax bracket against the previous 23-24 per cent rate.

Road Ahead

Rural consumption has increased, led by a combination of increasing incomes and higher aspiration levels; there is an increased demand for branded products in rural India. The rural FMCG market in India is expected to grow at a CAGR of 14.6 per cent, and reach US\$ 220 billion by 2025 from US\$ 29.4 billion in 2016.

On the other hand, with the share of unorganised market in the FMCG sector falling, the organised sector growth is expected to rise with increased level of brand consciousness, also augmented by the growth in modern retail.

Another major factor propelling the demand for food services in India is the growing youth population, primarily in the country's urban regions. India has a large base of young consumers who form the majority of the workforce and, due to time constraints, barely get time for cooking.

Online portals are expected to play a key role for companies trying to enter the hinterlands. The Internet has contributed in a big way, facilitating a cheaper and more convenient means to increase a company's reach. It is estimated that 40 per cent of all FMCG purchases in India will be online by 2020, thereby making it a US\$ 5-6 billion business opportunity. By the year 2025, e-commerce will contribute around 10-15 per cent sales of few categories in the FMCG sector*.

Mr Mark Mobius, Executive Chairman, Templeton EM, opined that the Goods and Services Tax (GST) will lead to mergers and rise of world class consumer companies in India. GST and demonetisation are expected to drive demand, both in the rural and urban areas, and economic growth in a structured manner in the long term and improve performance of companies within the sector.

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

FOODS AND BEVERAGE INDUSTRY

India, the fastest growing economy in the world, is known for its rich and diverse culture and is a home to people from different religions and languages living together. Geographically also, India has varied climate and agriculture conditions. With these diversities, India offers a wide variety of traditional cuisines. These cuisines vary significantly geographically from north to south and east to west of India and are also influenced by local availability of spices, herbs, vegetables and fruits. These traditional cuisines are getting evolved over a period of time and are now served in different avatars, e.g., inclusion of new ingredients or flavors and change in the traditional preparation style.

Every country's journey toward economic growth results in improvement in its food supply, both quantitative and qualitative, and a gradual reduction in nutritional deficiencies and India is not an exception. This also results in the development of the production, processing, distribution and marketing of food. Further, diets and taste change due to factors such as per capita income, prices, individual preferences and beliefs, urbanization, globalization etc. This has led to the growth and increasing acceptance of processed/packaged foods and beverages by Indian consumers.

India offers the largest diversified production base in the food sector. This is advantageous to the Indian food and beverage industry to source its raw materials.

- The largest producer of milk,
- 2nd largest producer of fruits and vegetables
- 2nd in rice, wheat and production of other cereals
- Leading producers of spices, fish and plantation crops
- 3rd in egg and 6th in meat production

India, being the second most populated country in the world, is one of the global leaders in the food and beverage industry. As per the EMIS Insights Industry Report on Food and Beverages Sector 2016-17, the gross value added of the food and beverage sector expanded at a CAGR of 4.8% over FY 2013-16.

The food and beverage industry was the fifth-largest sector in manufacturing. Thanks to the entry of multinational companies and their expansion in the market, India is rapidly becoming a production hub for processed foods, which are increasingly consumed in India as well as exported to countries in South Asia, the Middle East and Africa.

India's food processing sector is also witnessing a tremendous growth with multinational companies increasingly strengthening their presence in India/entering in the Indian market.

India's strong macro-economic indicators and policies have resulted in a steep increase in foreign investments and collaborations in recent times. Between April 2000 and June 2017, the Indian food processing sector received FDI of US\$7.81 billion, making it the 13th largest sector receiving FDI in the country. Further, it would be prudent to note that over 80% of the sector's FDI since April 2000 has been received since April 2012. FY 2017-18 is already showing strong promise for foreign investment in the sector, with US\$263 million having already been invested within the first quarter (April to June 2017).

Increasing foreign investments and collaboration in India in the food processing sector signify a vast increase in the food and beverages products being offered by global multinational companies as well as domestic companies.

Within this attractive Indian food and beverage industry, there are certain segments that for this report are called as "high-growth segments". These segments are gaining acceptability among the Indian consumers and thereby creating immense opportunities for existing as well as new industry players.

The Indian market is undoubtedly a very critical market for the global players in the fast growing food and beverages segment.

The seven strong demand drivers of the food and beverage industry of India are affluence of working population and increase in disposable income, rising urbanization and change in lifestyle, change in tastes and preferences, increase in tourism in India and number of Indian travelling within and outside India, increasing awareness and accessibility of new products and acceptability of these products during occasions and celebrations.

Further, India's strong macro-economic indicators, strategic location, India transforming into a manufacturing and research and development hub for global players, availability of labor at low cost, India's vision and commitment for developing a world-class infrastructure etc. are all contributing to making India an attractive destination for global players.

With many of the global players in these segments having already established their strong footprint, India with a consumer base of over 1.25 billion people is the world's largest consumer market and offers an attractive opportunity to the players who are looking to now establish their footprint in India.

(Source - <https://foodprocessingindia.co.in/pdf/high-growth.pdf>)

OUR BUSINESS

Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section “Forward-Looking Statements” for a discussion of the risks and uncertainties related to those statements and also the section “Risk Factors” for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward looking statements. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal are to the Twelve-month period ended March 31 of that year. In this section, a reference to the “Company” or “we”, “us” or “our” means Megastar Foods Limited.

All financial information included herein is based on our “Financial information of the Company” included on page 128 of this Prospectus.

OVERVIEW

Incorporated in 2011, Our Company is engaged in the manufacturing of food based products such as wheat flour, organic wheat flour products and allied flour products. Basically, our company produce food products related to wheat i.e. Atta-wheat flour products, Maida-Fine wheat flour products, Suji/Rawa-Semolina, Chokar/Wheat Bran, Organic Atta, Organic whole Wheat flour and Organic wheat flour etc.

Our Company is an FSSC 22000 certified company for food safety systems including ISO 22000:2005, ISO 22002-1:2009 and additional FSSC 22000 requirements in respect of Processing (Pre Cleaning, Cleaning, milling, Sifting) of Wheat products like Atta, Maida, Suji, Bran and its packaging in HDPE laminated bags and Poly Pouch bags by Intertek Certification Limited, United Kingdom. Our Company is having FSSAI license, Organic Certificate for in accordance with the requirements of India’s National Programme for Organic Production Standards by the Ecocert India Pvt. Limited, HALAL certified by HALAL India Pvt. Ltd etc.

Our Company was originally incorporated on November 28, 2011 as “Megastar Foods Private Limited” vide Registration no. 033393/2011-2012 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Punjab and Chandigarh. Further, our Company was converted into Public Limited Company and consequently name of company was changed from “Megastar Foods Private Limited” to “Megastar Foods Limited” vide Special resolution passed by the Shareholders at the Extra-Ordinary General Meeting held on March 09, 2018 and a fresh certificate of incorporation dated March 16, 2018 issued by the Registrar of Companies, Chandigarh.

Megastar was originally promoted by Mr. Vikas Gupta, Mr. Satpal Gupta, Mrs. Shivani Gupta, Mr. Vikas Goel, Mr. Pankaj Goyal, Mr. Sanjay Verma, Mr. Aniket Verma and Mr. Abhishek Verma in the year 2011 and they are the initial subscribers of the company. Presently the promoters of Our Company are Mr. Vikas Goel and Mr. Vikas Gupta. Our Promoters Mr. Vikas Goel and Vikas Gupta is having vast experience in field of Wheat Flour Industry. They look after overall management and operations of the said Company. Under their guidance of our Promoters, our Company has witnessed continuous growth.

Our Company is having state of the art modern machinery in our wheat processing plant in Punjab, India, with an installed capacity of 81000 MT per year. It has been our constant endeavour at all the levels to ensure processing of wheat with quality, undertaking testing and exploring new possibilities by our team of highly skilled people. It has been our hallmark in our organization to strictly follow the Good Manufacturing Practices (GMP), Good Laboratory Practices (GLP) to ensure the high standards of food safety, quality & hygiene. At present we are catering majorly to MNC’s in India and also exporting some of our products to United Nations Organization, Europe, United States & Middle East.

Our company’s main aim is to grow relationships with our customers that we can serve successfully by providing them a point of difference, adding value and ultimately, providing profitable growth for both parties. Our customers are supported by a highly skilled, enthusiastic, can-do culture team throughout the whole business. Our endeavour is to maintain an efficiently sound business in order to provide a secured future to our fellow employees while stressing on the continual improvement of our highly ranked products for a constantly enhanced customer satisfaction.

For the period ended December 31, 2017 our Company’s Total Standalone Income and Restated Profit after Tax were Rs. 7836.75 Lacs and Rs. 87.07 Lacs, respectively. For the year ended March 31, 2017, our Company’s Total Standalone Income and Restated Profit after Tax were Rs. 9776.25 Lacs and Rs. 105.86 Lacs, respectively compared to our Company’s Total Standalone Income and Restated Profit after Tax was Rs. 7804.31 Lacs and Rs. 58.92 Lakhs respectively for the year ended March 31, 2016.



Certifications and Recognition: -

- Certificate of FSSC 22000 by Intertek Certification Limited, United Kingdom.
- Organic Certificate for products by the Ecocert India Pvt. Limited.
- HALAL India Certificate by HALAL India Pvt. Ltd.
- Licence under Food Safety and Standard Authority of India (FSSAI).

COMPETITIVE STRENGTHS

Our principal competitive strengths are:

Wide range of Products and hygienic

We provide a broad range of products to our customers that currently, we are providing such products like Atta-wheat flour products, Maida-Fine wheat flour products, Suji/Rawa-Semolina, Chokar/Wheat Bran, Organic Atta, Organic whole Wheat flour and Organic wheat flour etc. which increases the scope of our customers and our ability to cater to a diversified client base. Our products are untouched by hand, processed under completely hygienic conditions to maintain our trademark promise of purity.

Existing Client Base

Our Company has maintained long-standing relationship with our major customers such as Jubilant Foodworks Limited, Nestle India Limited, GSK (Glaxo Smithkline Consumer healthcare Limited), Pepsico India Holding Pvt. Ltd., UB (United Biscuits Pvt. Ltd.) and ITC Limited etc. 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. Further having been in this business through our promoters for the long period, we believe that existing relationships will help as a core competitive strength for us.

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 our suppliers. Our company enjoys existing relationship with our suppliers. Further we also leverage the past experience of our management in maintain effective supplier relationship.

Experienced Promoters and Management Expertise

Our Company is promoted by Mr. Vikas Goel and Mr. Vikas Gupta who individually have approximate 25 years and 15 years of experience respectively. Our Promoters and senior Key managerial person have experience in setting up business, developing markets, managing customers and handling overall businesses. Further, our board of directors are supported by a team of well experienced and qualified personnel. For further details regarding the educational qualifications and experience of our Board of Directors and our Key Managerial Personnel please refer to chapter titled “Our Management” beginning on page 108 of this Prospectus. We believe that our management team’s experience and their understanding of FMCG industry will enable us to continue to take advantage of both current and future market opportunities. It is also expected to help us in addressing and mitigating various risks inherent in our business.

OUR STRATEGIES

The primary elements of our growth strategies are set forth below.

Quality Assurance

We will continue to maintain quality of our existing product portfolio to cater to various customer and price segments in the food processing market. We endeavor to maintain the quality of our products, and follow strict procedures to ensure quality control,

timely delivery and competitive prices. The company intends to strengthen its product development effort by leveraging skills of its employees which will help to increase the sales of the Company and retain customers.

Improving operational efficiencies

Our Company intends to improve operating efficiencies to achieve cost reductions to have a competitive edge over the peers. We are addressing the increase in operational output through continuous process improvements, quality check and technology development. Our employees are regularly motivated to increase efficiency with error free exercise. We believe that this can be done through continuous process improvements. Further we believe that this can be done through domestic presence and economies of scale. Increasing our penetration in existing regions with new range of products, will enable us to penetrate into new catchment areas within these regions and optimize our infrastructure. As a result of these measures, our company will be able to increase its market share and profitability.

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 do this by leveraging our marketing skills and relationships and further enhancing customer satisfaction. We plan to increase our customers by meeting contracts in hand on time, maintaining our customer relationship and renewing our relationship with existing buyers.

Optimal Utilization of Resources


Our Company constantly endeavors to improve our technical process, and will increase manufacturing activities 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 our technical and manufacturing process which enables us to identify the areas of bottlenecks and correct the same. This will help us in improving efficiency and putting resources to optimal use.

To be a part of retail market with our own brand

Already, our company has been applied for Trade Mark and Word Mark to secure our products in the market. Out of them some are registered in the name of Megastar and some are objected. Our main aim to be part of retail market with our own brand in the food processing industry.

OUR PRODUCTS: -

Our food processing products are provided by us to our customers such as Atta-wheat flour products, Maida-Fine wheat flour products, Suji/Rawa-Semolina, Chokar/Wheat Bran, Organic Atta, Organic whole Wheat flour and Organic wheat flour etc. Our Products are as follows: -

Sr. No	Description
1.	<div>  </div> <p>Atta-wheat flour products</p> <p>Whole Wheat Flour (Atta) or Chakki Fresh Atta, manufactured from best quality Wheat.</p>

2.		Maida-Fine wheat flour products We manufacture high quality refined Wheat Flour suitable for Bakeries and Biscuit / cookies manufacturing. Our Products are used domestically.
3.		Suji/Rawa-Semolina We have high quality of Suji or Rava, which is produced from superfine flour as per clients need and requirements.
4.		Chokar/Wheat Bran Wheat Bran is used in wide assortments of quality products
5.		Organic Atta Finest quality of Organic Atta, which are organically produced to give a healthy and strong body.
6.		Organic whole Wheat flour & Wheat Flour Organic Whole Wheat Flour is 100% stone ground from certified organic.

OUR LOCATIONS: -

Registered Office	Plot No. 807, Industrial Area, Phase-II, Chandigarh-160102, India.
Manufacturing Unit/ Factory & Corporate Office	Kurali-Ropar Road, Village-Solkhian, Dist. Roopnagar - 140108, Punjab, India.

Warehouse	Ward No.16 (Old Ward No. 2), Anaj Mandi, Kurali, Punjab, India
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Collaborations/ Tie – ups/ Joint Ventures:

As on date of the Prospectus, our Company does not have any Collaborations/Tie-ups/Joint Ventures.

Plant & Machinery:

We have our plant with well-developed infrastructure, is equipped with the modern imported food-processing machinery. We have installed sufficient plant and machinery in the manufacturing unit in the full capacity. The facility includes Buhler Moisture Meter (MYFC) to check the moisture during the production comprising of various Dry Destoner, L.P Fan (Cleaning), L.P Fan (Milling) Bran Finisher etc.



Capacity Utilization:

Our Company being in the manufacturing industry installed capacity and capacity utilization is applicable to us and which details are as mentioned in below table: -

Particulars	Existing (Mt)			Proposed (Mt)		
	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Installed Capacity	67000	81000	81000	85500	85500	85500
Percentage in Utilization	54.03%	51.15%	57.18%	70.18%	77.19%	84.91%

Export obligation:

Our Company does not have any export obligation as on date of this Prospectus.

Utilities and Infrastructure Facilities: -

Raw Material- The raw material used in the manufacture of Products is wheat only and which are procured from suppliers available both locally from mandies and from Food Corporation of India to meet our requirements.

Power - We require power supply to manufacturing our products and to meet our requirement we have a dedicated 11 KV connection under LS category (Industrial Feeder Category-II) installed for regular power supply. Besides we have a DG Set to cover any exigency.

Water - Water is required for human consumption and adequate water sources are available. The requirements are fully met at the existing premise.

Utilities - Our Office is well equipped with computer systems, internet, connectivity, other communication equipment, security and other facilities, which are required for smooth functioning of our business activity.

HUMAN RESOURCES: -

We believe that a motivated and empowered employee base is the key to our operations and business strategy. We have developed a large pool of skilled and experienced personnel. Currently, we have 62 employees including Key Managerial Personal as on December 31, 2017, and planning to increase the number of employees which details are as below:

Category	No. of Employees
Administrative Staff	14
Skilled Workers	6
Semi-Skilled Workers	31
Unskilled Workers	11
Total	62

Our manpower is a prudent mix of the experienced and young people which gives us the dual advantage of stability and growth, whereas execution of services within time and quality. Our skilled resources together with our strong management team have enabled us to successfully implement our growth plans.

SALES AND MARKETING: -

We have developed a marketing network and majority of the sales to Corporates/MNC's viz. Jubilant Foodworks Limited, Nestle India Limited, GSK (Glaxo Smithkline Consumer healthcare Limited), Pepsico India Holding Pvt. Ltd., UB (United Biscuits Pvt. Ltd.) and ITC Limited etc. Our marketing team is led by our Promoter and Directors Mr. Vikas Goel and Mr. Vikas Gupta who are responsible for the overall marketing strategies. Our success lies in the strength of our relationship with our customers who have been associated with us for a long period. Our promoters Mr. Vikas Goel and Mr. Vikas Gupta, through their vast experience and good rapport with customers plays an instrumental role in quality execution and completion of orders on timely basis.

Marketing Strategy:

We intend to focus on following marketing strategies:

1. Focus on requirement of Customers
2. Continuous upgradation of Quality of Products.

COMPETITION: -

We believe that the principal competitive factors include product quality, reliability, and price that are able to comprehensively address varying requirements of different customer segments and specific customer needs. We believe that our ability to compete effectively is primarily dependent on ensuring consistent product quality and timely delivery at competitive prices, thereby strengthening our brand over the years. We believe that our cost effective and integrated offerings, our focus on customer satisfaction and our reliability combined with our quality consciousness provides us with competitive advantage in our business. Some of our major competitors are:

- DFM Foods Limited

INSURANCE: -

We maintain a range of insurance policies to cover our assets, risks and liabilities. Substantially our insurance policies Related to the stock, Fire, Earth Quake and Machinery Break Down. We constantly evaluate the risks in an effort to be sufficiently covered for all known risks. We believe that the amount of insurance coverage presently maintained by us represents an appropriate level of coverage required to insure our business and operations and is in accordance with the industry standard in India. We believe that the amount of insurance coverage presently maintained by us represents an appropriate level of coverage required to insure our business and is in accordance with the industry standard in India.

PROPERTY: -

Intellectual Property Rights:

S. No.	Nature of Registration/ License	Class	Trademark Name and Logo	Owner	Application No. & Date	Remark
1.	Wordmark	30	“STAR GOLD”	Megastar Foods Pvt. Ltd.	2925444 & 19/03/2015	Objected
2.	Wordmark	30	“STAR PRIDE”	Megastar Foods Pvt. Ltd.	2925445 & 19/03/2015	Objected
3.	Trademark Word Mark – K-GOLDEN	31		Megastar Foods Pvt. Ltd.	3538935 & 01/05/2017	Registered
4.	Trademark	31		Megastar Foods Pvt. Ltd.	3544069 & 08/05/2017	Objected

5.	Trademark Word Mark – M DIAMOND CHOKAR	31		Megastar Foods Pvt. Ltd.	3570663 & 14/06/2017	Objected
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The Details of Domain Name registered on the name of the Company is: -

S. No.	Domain Name and ID	Sponsoring Registrar and IANA ID	Registrant Name	Creation date	Registration Expiry date
1.	domain Name: MEGASTARFOODS.COM Registry Domain ID: 1863608970_DOMAIN_COM-VRSN	Registrar: PDR Ltd. d/b/a PublicDomainRegistry.com IANA ID: 303	Registrant Name: Mr. Vikas Goel Organization: Megastar Foods Private Limited	June 20, 2014	June 20, 2018

IMMOVABLE PROPERTY

Details of our properties are as follows: -

Properties Leased by the Company

S.No.	Details of the Property	Licensor/Lessor/Vendor	Owned/Leased/License	Details	Use
1.	Plot No. 807, Industrial Area, Phase-II, Chandigarh-160102, India.	M/s Kulwant Rai Ram Krihan through its partner Shri Vikas Goel	Leased	This lease deed is executed on dated September 27, 2013 between M/s Kulwant Rai Ram Krihan through its partner Shri Vikas Goel and Megastar Foods Pvt. Ltd. through its Director and Authorised signatory Mr. Vikas Gupta for period of 9 years beginning from August 1, 2013 to July 31, 2022 at monthly rent of Rs. 5000/-	Registered Office
2.	Village Solkhian, Distt Ropar, Pin – 140108, (Hadbast No. 217, Road No. 0103)	Mr. Dilbagh Singh, Mr. Labh Singh & Mr. Darshan Singh	Owned	The sale deed is executed through Mr. Dilbagh Singh on behalf of all parties and Megastar Foods Pvt Ltd. through our Director Mr. Vikas Goel dated December 07, 2011 for consideration of Rs. 51,00,000.	Manufacturing Unit

3.	Village Solkhian, Distt Ropar, Pin – 140108, (Hadbast No. 217, Road No. 0103)	Mr. Atma Singh, Mr. Gurmeet Singh, Mr. Sunmukh Singh, Mr. Nirmal Singh, Mr. Darshan Singh, Mr. Dilbar Singh, Mr. Balwant Singh, Mr. Harjinder Kaur	Owned	The sale deed is executed through Mr. Atma Singh on behalf of all parties and Megastar Foods Pvt Ltd. through our representative Mr. Satpal Gupta dated September 27, 2017 for consideration of Rs. 5,00,000.	Manufacturing Unit
4.	Village Solkhian, Distt Ropar, Pin – 140108, (Hadbast No. 217, Road No. 0103)	Mrs. Rajinder Kaur	Owned	The sale deed is made between Mrs. Rajinder Kaur and Megastar Foods Pvt. Ltd. through our Director Mr. Vikas Gupta dated December 13, 2017 for consideration of Rs. 5,00,000.	Manufacturing Unit
5.	Ward No.16 (Old Ward No. 2), Anaj Mandi, Kurali (Total Area-17 Kanal 12 Marla), Punjab, India	Mrs. Shashi Prabha Singhi w/o Sh. Ashok Kumar Singhi	Leased	This lease deed is executed on dated January 01, 2017 between Mrs. Shashi Prabha Singhi and Megastar Foods Pvt. Ltd. through its Director and Authorised signatory Mr. Vikas Gupta for period of 5 years beginning from January 01, 2017 at monthly rent of Rs. 22,000/-	Warehouse

REGULATIONS AND POLICIES

The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. The information detailed in this chapter has been obtained from various legislations, including rules and regulations promulgated by the regulatory bodies that are available in the public domain. The regulations and policies set out below may not be exhaustive, and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. The Company may be required to obtain licenses and approvals depending upon the prevailing laws and regulations as applicable. For details of such approvals, please see the section titled “Government and other Approvals” on page 176 of this Prospectus.

We are subject to a number of Central and State legislations which regulate substantive and procedural aspects of the business. Additionally, the business activities of our Company require sanctions, approval, license, registration etc. from the concerned authorities, under the relevant Central and State legislations and local bye-laws. For details of Government and Other Approvals obtained by the Company in compliance with these regulations, see section titled “Government and Other Approvals” beginning on page 176 of this Prospectus. The following is an overview of some of the important laws, policies and regulations which are pertinent to our business as a player in the field of our Industry.

A. STATUTORY AND COMMERCIAL LAWS

The Companies Act, 1956

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

The Companies Act, 2013

The Companies Act, 2013, has been introduced to replace the existing Companies Act, 1956 in a phased manner. The Ministry of Corporate Affairs has vide its notification dated September 12, 2013 has notified 98 Sections of the Companies Act, 2013 and the same are applicable from the date of the aforesaid notification. A further 183 Sections have been notified on March 26, 2014 and have become applicable from April 1, 2014. The Companies (Amendment) Act, 2015 has inter-alia amended various Sections of the Companies Act, 2013 to take effect from May 29, 2015. Further, vide the Companies (Amendment) Act, 2015, Section 11 of the Companies Act, 2013 has been omitted and Section 76A has been inserted in the Companies Act, 2013. As on date, till date, total 427 sections are notified by Ministry of Corporate Affairs. The Ministry of Corporate Affairs, has also issued rules complementary to the Companies Act, 2013 establishing the procedure to be followed by companies in order to comply with the substantive provisions of the Companies Act, 2013.

Competition Act, 2002

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

combination to the CCI falls upon the acquirer in case of an acquisition, and on all parties to the combination jointly in case of a merger or amalgamation.

Indian Contract Act, 1872

Indian Contract Act codifies the way we enter into a contract, execute a contract, and implement provisions of a contract and effects of breach of a contract. The Act consists of limiting factors subject to which contract may be entered into, executed and breach enforced as amended from time to time. It determines the circumstances in which promise made by the parties to a contract shall be legally binding on them. Each contract creates some right and duties upon the contracting parties. Indian contract deals with the enforcement of these rights and duties upon the parties.

The Indian Contract Act also lays down provisions of indemnity, guarantee, bailment and agency. Provisions relating to sale of goods and partnership which were originally in the Act are now subject matter of separate enactments viz., the Sale of Goods Act and the Indian Partnership Act. The objective of the Contract Act is to ensure that the rights and obligations arising out of a contract are honoured and that legal remedies are made available to those who are affected.

Negotiable Instruments Act, 1881

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

The Registration Act, 1908 (“Registration Act”)

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

Indian Stamp Act, 1899(the “Stamp Act”)

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

The Arbitration and Conciliation Act, 1996

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

arbitral award made in a country to which one of the two International Conventions relating to foreign arbitral awards to which India is a party applies, will be treated as a foreign award.

Electricity Act, 2003

The Electricity Act, 2003 has been recently introduced with a view to rationalize electricity tariff, and to bring about transparent policies in the sector. The Act provides for private sector participation in generation, transmission and distribution of electricity, and provides for the corporatization of the state electricity boards. The related Electricity Regulatory Commissions Act, 1998 has been enacted with a view to confer on these statutory Commissions the responsibility of regulating this sector.

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.

Shops and Establishments legislations in various States

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

B. LAWS RELATING TO LABOUR AND EMPLOYMENT

As part of business of the Company it is required to comply from time to time with certain laws in relation to the employment of labour. A brief description of certain labour legislations which are applicable to the Company is set forth below:

The Factories Act, 1948

The Factories Act defines a ‘factory’ to be any premises including the precincts thereof, on which on any day in the previous 12 months, 10 or more workers are or were working and in which a manufacturing process is being carried on or is ordinarily carried on with the aid of power; or where at least 20 workers are or were working on any day in the preceding 12 months and on which a manufacturing process is being carried on or is ordinarily carried on without the aid of power. State governments prescribe rules with respect to the prior submission of plans, their approval for the establishment of factories and the registration and licensing of factories.

The Factories Act provides that the ‘occupier’ of a factory (defined as the person who has ultimate control over the affairs of the factory and in the case of a company, any one of the directors) shall ensure the health, safety and welfare of all workers while they are at work in the factory, especially in respect of safety and proper maintenance of the factory such that it does not pose health risks, the safe use, handling, storage and transport of factory articles and substances, provision of adequate instruction, training and supervision to ensure workers’ health and safety, cleanliness and safe working conditions. If there is a contravention of any of the provisions of the Factories Act or the rules framed thereunder, the occupier and manager of the factory may be punished with imprisonment or with a fine or with both.

Contract Labour (Regulation and Abolition) Act, 1970

The Contract Labour (Regulation and Abolition) Act, 1970 (“CLRA”) is an act to regulate the employment of contract labour in certain establishments and to provide for its abolition in certain circumstances. The CLRA applies to every establishment in which 50 (fifty) or more workmen are employed or were employed on any day of the preceding 12 (twelve) months as contract labour. It also applies to every contractor who employs or who employed on any day of the preceding 12 (twelve) months, 20 (twenty) or more workmen provided that the appropriate Government may after giving not less than 2 (two) months’ notice, by notification in the Official Gazette, apply the provisions of the CLRA to any establishment or contractor. Further, it contains provisions regarding Central and State Advisory Board under the CLRA, registration of establishments, and prohibition of employment of contract labour

in any process, operation or other work in any establishment by the notification from the State Board, licensing of contractors and welfare and health of the contract labour. The Contract Labour (Regulation and Abolition) Central Rules, 1971 are formulated to carry out the purpose of the CLRA.

Employees State Insurance Act, 1948, as amended (the “ESIC Act”)

The Employee’s Compensation Act, 1923 has been enacted with the objective to provide for the payment of compensation by certain classes of employers to their workmen or the survivors for industrial accidents and occupational diseases resulting in the death or disablement of such workmen. The Act makes every employer liable to pay compensation in accordance with the Act if a personal injury /disablement /loss of life is caused to a workman (including those employed through a contractor) by an accident arising out of and in the course of his employment. In case the employer fails to pay compensation due under the Act within one month from the date it falls due, the Commissioner may direct the employer to pay the compensation amount along with interest and may also impose penalty.

The Minimum Wages Act, 1948

The State Governments may stipulate the minimum wages applicable to a particular industry. The minimum wages generally consist of a basic rate of wages, cash value of supplies of essential commodities at concession rates and a special allowance, the aggregate of which reflects the cost of living index as notified in the Official Gazette. Workers are to be paid for over time at over time rates stipulated by the appropriate State Government. Any contravention may result in imprisonment of upto six months or a fine of upto Rs. 500. Further, employees who have been paid less than the minimum wages are entitled to the payment of the shortfall amount, together with compensation, which may extend up to ten times the shortfall amount.

Employees’ Compensation Act, 1923

The Employee’s Compensation Act, 1923 (“ECA”) has been enacted with the objective to provide for the payment of compensation by certain classes of employers to their workmen or their survivors for industrial accidents and occupational diseases resulting in the death or disablement of such workmen. The Act makes every employer liable to pay compensation in accordance with the Act if a personal injury / disablement / loss of life is caused to a workman (including those employed through a contractor) by an accident arising out of and in the course of his employment. In case the employer fails to pay compensation due under the Act within one month from the date it falls due, the Commissioner may direct the employer to pay the compensation amount along with interest and may also impose a penalty.

Payment of Wages Act, 1936

The Payment of Wages Act applies to the persons employed in the factories and to persons employed in industrial or other establishments, either directly or indirectly through a sub-contractor, where the monthly wages payable to such persons is less than Rs. 10,000/-. The Act confers on the person(s) responsible for payment of wages certain obligations with respect to the maintenance of registers and the display in such factory/establishment, of the abstracts of this Act and Rules made there under.

The Payment of Gratuity Act, 1972

The Gratuity Act establishes a scheme for the payment of gratuity to employees engaged in every factory, mine, oil field, plantation, port and railway company, every shop or establishment in which ten or more persons are employed or were employed on any day of the preceding twelve months and in such other establishments in which ten or more employees are employed or were employed on any day of the preceding twelve months, as notified by the Central Government from time to time. Penalties are prescribed for non-compliance with statutory provisions. Under the Gratuity Act, an employee who has been in continuous service for a period of five years will be eligible for gratuity upon his retirement, resignation, superannuation, death or disablement due to accident or disease. However, the entitlement to gratuity in the event of death or disablement will not be contingent upon an employee having completed five years of continuous service. The maximum amount of gratuity payable may not exceed Rs. 1 million.

Employees Provident Fund and Miscellaneous Provisions Act, 1952 (“Act”) and the schemes formulated there under (“Schemes”)

This Act provides for the institution of provident funds, family pension funds and deposit linked insurance fund for the employees in the factories and other establishments. Accordingly, the following schemes are formulated for the benefit of such employees:

- i. **The Employees Provident Fund Scheme:** As per this Scheme, a provident fund is constituted and both the employees and employer contribute to the fund at the rate of 12% (or 10% in certain cases) of the basic wages, dearness allowance and retaining allowance, if any, payable to employees per month.
- ii. **The Employees Pension Scheme:** Employees' Pension Scheme is Pension Scheme for survivors, old aged and disabled persons. This Scheme derives its financial resource by partial diversion from the Provident Fund contribution, the rate being 8.33%. Thus, a part of contribution representing 8.33 per cent of the employee's pay shall be remitted by the employer to the Employees' Pension fund within 15 days of the close of every month by a separate bank draft or cheque on account of the Employees' Pension Fund contribution in such manner as may be specified in this behalf by the appropriate authority constituted under the Act. The Central Government shall also contribute at the rate of 1.16 per cent of the pay of the members of the Employees' Pension Scheme and credit the contribution to the Employees' Pension Fund.
- iii. **The Employees Deposit Linked Insurance Scheme:** As per this Scheme, the contribution by the employer shall be remitted by him together with administrative charges at such rate as the Central Government may fix from time to time under Section 6C (4) of the Act, to the Insurance Fund within 15 days of the close of every month by a separate bank draft or cheque or by remittance in cash in such manner as may be specified in this behalf by the appropriate authority constituted under the Act.

Payment of Bonus Act, 1965

The Payment of Bonus Act, 1965 ("PoB") Act provides for payment of minimum bonus to factory employees and every other establishment in which 20 or more persons are employed and requires maintenance of certain books and registers and filing of monthly returns showing computation of allocable surplus, set on and set off of allocable surplus and bonus due.

The Equal Remuneration Act, 1976 ("Equal Remuneration Act") and Equal Remuneration Rules, 1976

The Constitution of India provides for equal pay for equal work for both men and women. To give effect to this provision, the Equal Remuneration Act, 1976 was implemented. The Act provides for payment of equal wages for equal work of equal nature to male or female workers and for not making discrimination against female employees in the matters of transfers, training and promotion etc.

Child Labour (Prohibition and Regulation) Act, 1986

This statute prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Under this Act the employment of child labour in the building and construction industry is prohibited.

The Maternity Benefit Act, 1961("Maternity Act")

The Maternity Benefit Act, 1961 was enacted by Parliament in the Twelfth Year of the Republic of India to regulate the employment of women in certain establishments for certain periods before and after child-birth and to provide for maternity benefit and certain other benefits.

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

The Industrial Disputes Act, 1947

The Industrial Disputes Act, 1947 (the “ID”) provides the procedure for investigation and settlement of industrial disputes. When a dispute exists or is apprehended, the appropriate Government may refer the dispute to a labour court, tribunal or arbitrator, to prevent the occurrence or continuance of the dispute, or a strike or lock-out while a proceeding is pending. The labour courts and tribunals may grant appropriate relief including ordering modification of contracts of employment or reinstatement of workmen.

Inter State Migrant Workers (Regulation of Employment and Conditions of Service) Act, 1979;

The Inter State Migrant Workers (Regulation of Employment and Conditions of Service) Act, 1979 was enacted by Parliament in the Thirtieth Year of the Republic of India to regulate the employment of inter-State migrant workmen and to provide for their conditions of service and for matters connected therewith. This Act makes provision for availing with the onsite services of interstate workers by the contractors / establishments to overcome only the temporary shortage of required skilled workers in a state. The purpose of this act is not to encourage interstate migration of workers against the interests of local workers as the principal employers would have to incur more cost in deploying interstate workers.

Industrial Employment (Standing Orders) Act, 1946

The Industrial Employment (Standing Orders) Act, 1946 require employers in industrial establishments formally to define conditions of employment under them and applies to every industrial establishment wherein one hundred or more workmen are employed, or were employed on any day of the preceding twelve months.

Apprentices Act, 1961

The Apprentices Act was enacted in 1961 for imparting training to apprentices i.e. a person who is undergoing apprenticeship training in pursuance of a contract of apprenticeship. Every employer shall make suitable arrangements in his workshop for imparting a course of practical training to every apprentice engaged by him in accordance with the programme approved by the apprenticeship adviser. The central apprenticeship adviser or any other person not below the rank of an assistant apprenticeship adviser shall be given all reasonable facilities for access to each apprentice with a view to test his work and to ensure that the practical training is being imparted in accordance with the approved programme.

C. TAX LAWS

The Income Tax Act, 1961

The Income Tax Act, 1961 deals with the taxation of individuals, corporate, partnership firms and others. As per the provisions of this Act the rates at which they are required to pay tax is calculated on the income declared by them or assessed by the authorities, after availing the deductions and concessions accorded under the Act. The maintenance of Books of Accounts and relevant supporting documents and registers are mandatory under the Act. Filing of returns of Income is compulsory for all assesses. The maintenance of Books of Accounts and relevant supporting documents and registers are mandatory under the Act.

The Goods and Services Tax Act, 2017

Goods and Services Tax (GST) is considered to be the biggest tax reform in India since independence. It will help realise the goal of “One Nation-One Tax-One Market.” GST is expected to benefit all the stakeholders – industry, government and consumer.

Goods and Services Tax (GST) is an indirect tax throughout India and was introduced as The Constitution (One Hundred and Twenty Second Amendment) Act 2017, following the passage of Constitution 122nd Amendment Bill. The GST is governed by GST Council and its Chairman is Union Finance Minister of India - Arun Jaitley. This Act has been made applicable with effect from 1st July 2017. With the introduction of GST all central, state level taxes and levies on all goods and services have been subsumed within an integrated tax having two components – central GST and a state GST. Thus there will be a comprehensive and continuous mechanism of tax credits. The Central government passed four sets of GST Acts in the Budget session this year. These were Central GST Act, 2017; Integrated GST Act, 2017; Union Territory GST Act, 2017 and GST (Compensation to States) Act, 2017. The Acts were approved by the Parliament after they were introduced as the part of the Money Bill. Following the passage of GST Acts, the GST council has decided 4 tax rate slabs viz., 5%, 12%, 18% and 28% on supply of various goods and services. India has adopted a dual GST model, meaning that taxation is administered by both the Union and State Governments. Transactions made

within a single State will be levied with Central GST (CGST) by the Central Government and State GST (SGST) by the government of that State. For inter-state transactions and imported goods or services, an Integrated GST (IGST) is levied by the Central Government. GST is a consumption-based tax, therefore, taxes are paid to the State where the goods or services are consumed and not the State in which they were produced.

D. INTELLECTUAL PROPERTY LAWS

India has certain laws relating to intellectual property rights such as patent protection under the Patents Act, 1970, copyright protection under the Copyright Act, 1957 trademark protection under the Trade Marks Act, 1999, and design protection under the Designs Act, 2000.

The Trademarks Act, 1999

The Act provides for the process for making an application and obtaining registration of trademarks in India. The purpose of the Trademarks Act is to grant exclusive rights to marks such as a brand, label, heading and to obtain relief in case of infringement for commercial purposes as a trade description. The Trademarks Act prohibits registration of deceptively similar trademarks and provides for penalties for infringement, falsifying and falsely applying trademarks.

The Designs Act, 2000

This Act protects any visual design of objects that are not purely utilitarian. An industrial design consists of the creation of a shape, configuration or composition of pattern or colour, or combination of pattern and colour in three-dimensional form containing aesthetic value. It provides an exclusive right to apply a design to any article in any class in which the design is registered.

E. FOREIGN INVESTMENT REGULATIONS

The Foreign Trade (Development & Regulation) Act, 1992

The Foreign Trade (Development & Regulation) Act, 1992, provides for the development and regulation of foreign trade by facilitating imports into and augmenting exports from India and for matters connected therewith or incidental thereto.

Foreign Exchange Management Act, 1999 (“the FEMA”), and Rules and Regulations thereunder

As laid down by the FEMA Regulations, no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the automatic route within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer of Issue of Security by a person Resident Outside India) Regulations, 2000 (“FEMA Regulations”) to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India.

Other Laws

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



HISTORY AND CERTAIN CORPORATE MATTERS

Brief History and Background

Our Company was originally incorporated on November 28, 2011 as “Megastar Foods Private Limited” vide Registration no. 2011-12/033393 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Punjab and Chandigarh. Further, our Company was converted into Public Limited Company and consequently name of company was changed from “Megastar Foods Private Limited” to “Megastar Foods Limited” vide Special resolution passed by the Shareholders at the Extra-Ordinary General Meeting held on March 09, 2018 and a fresh certificate of incorporation dated March 16, 2018 issued by the Registrar of Companies, Chandigarh.

Our Company was originally promoted by Mr. Vikas Gupta, Mr. Satpal Gupta, Ms. Shivani Gupta, Mr. Vikas Goel, Mr. Pankaj Goyal, Mr. Sanjay Verma, Mr. Aniket Verma and Mr. Abhishek Verma, who were the initial subscribers to the Company’s Memorandum and Articles of Association in the year 2011. Presently Mr. Vikas Goel and Mr. Vikas Gupta are Promoters of the Company.

As on date of this Prospectus, our Company has Nine (9) shareholders.

For information on our Company’s profile, activities, services, market, growth, technology, managerial competence, standing with reference to prominent competitors, major suppliers, please refer the sections entitled “Industry Overview”, “Our Business”, “Our Management”, “Financial information of the Company” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 80, 88, 108, 128, and 159, respectively.

Address of Registered Office:

The Registered Office of the Company is situated at Plot No. 807, Industrial Area, Phase-II, Chandigarh-160102, India.

Changes in Registered Office of the Company since incorporation

There has not been any change in our Registered Office since incorporation till date of this Prospectus:

Our Main Object

The main objects of our Company as set forth in the Memorandum of Association of our Company are as follows:

1. To establish, install acquire, own, take on lease and carry on the business of Roller Flour Mills, Rice Shellers, Sela plant, Rice grains, Flour Mills and vegetable oil Extraction plants and to store, buy, sell, import, export, act as commission agents or deal in food grains of all kinds, rice, cereals, edible oils and all food and agro based products of similar description.
2. To buy, sell, process, import, export, manipulate, convert, treat and prepare for market and deal in all kinds of food grains like Paddy, Rice, Wheat, Maize, Grams, Pulses, oil seeds and all kinds of agriculture produce.
3. To acquire, construct, set up ,take on lease and let out and operate flour mills, pulverizes, grinding mills, warehouses for manufacturing, pulverizing, producing, cleaning, developing, finishing, crushing, extracting, grinding, grading, mixing, refining, milling, storing, transporting wheat, gram and all kinds of grains, cereals, seeds, pulses, spices, and other edible items for manufacturing of pulses, besan, maida, atta, suji, rava, starch and other allied products including any type of packaging/packing products/materials ; and to manufacture food products, such as biscuits, flakes, dalia, starch ,cereals and confectionery and other food products of all kinds and description and to set up factories or mills for the manufacture thereof.
4. To construct, build, equip, own, purchase, take on lease, rent, hire, maintain, keep and to run cold storages, storage chambers, freezers, deep freezers, godowns, warehouses, refrigerators, silos and room coolers for storing poultry/non poultry products, protein foods, milk & dairy products, cream, butter, cheese, bacons, sausages, fruits, roots, vegetables and other substances made from all or any of them and canned, tinned and processed foods of every description and all type of agro produce ,agro products and to act as transporters of aforesaid foods, substances and products.

Changes in Memorandum of Association

Except as stated below there has been no change in the Memorandum of Association of our Company since its Incorporation:

Sr. No.	Particulars	Date of Meeting	Type of Meeting
1.	The initial Authorised share capital increased from Rs. 50,00,000 (Fifty Lakh) divided into 5,00,000 (Five Lakh) Equity Shares of Rs. 10/- each to Rs. 2,00,00,000 (Two Crores) divided into 20,00,000 (Twenty Lakh) Equity Shares of ₹10/- each.	March 25, 2013	EGM
2.	The Authorised share capital increased from Rs. 2,00,00,000 (Two Crores) divided into 20,00,000 (Twenty Lakh) Equity Shares of Rs. 10/- each to Rs. 6,00,00,000 (Six Crores) divided into 60,00,000 (Sixty Lakh) Equity Shares of Rs. 10/- each.	March 24, 2014	EGM
3.	Our Company has altered object clause via adding new objects in the Object Clause of Memorandum of Association of the Company via Special Resolution and a fresh certificate of incorporation dated March 12, 2018 issued by the Registrar of Companies, Chandigarh.	March 09, 2018	EGM
4.	The Authorised share capital increased from Rs. 6,00,00,000 (Six Crores) divided into 60,00,000 (Sixty Lakh) Equity Shares of Rs. 10/- each to Rs. 15,00,00,000 (Fifteen Crore) divided into 1,50,00,000 (One Crore Fifty Lakh) Equity shares of Rs. 10 each .	March 09, 2018	EGM
5.	Conversion of our Company from Private Limited to Public Limited. Consequently name of the Company has been changed from Megastar Foods Private Limited to Megastar Foods Limited and a fresh Certificate of incorporation dated March 16, 2018 bearing CIN: U15311CH2011PLC033393 was issued by Registrar of Companies, Chandigarh.	March 09, 2018	EGM
6.	To adopt New Set of Memorandum of Association and Articles of Association containing regulation in conformity with the Companies Act, 2013	March 09, 2018	EGM

Adopting New Articles of Association of the Company

Our Company has adopted a new set of Articles of Association of the Company, in the Extra-Ordinary General Meeting of the Company dated March 09, 2018.

Key Events and Mile Stones

Year	Key Events / Milestone / Achievements
2011	Incorporation of the Company in the name and style of “Megastar Foods Private Limited”
2017	FSSC 22000 certification scheme for food safety systems including ISO 22000:2005, ISO 22002-1:2009, and additional FSSC 22000 requirements in respect of Processing (Pre Cleaning, Cleaning, milling, Sifting) of Wheat products like Atta, Maida, Suzi, Bran and its packaging in HDPE laminated bags and Poly Pouch bags.
2018	Company has altered object clause via inserting new objects in the Object Clause of Memorandum of Association of the Company.
2018	Converted into Public Limited Company vide fresh certificate of incorporation dated March 16, 2018.

Other Details about our Company

For details of our Company’s activities, products, growth, technology, marketing strategy, competition and our customers, please refer section titled “Our Business”, “Management’s Discussion and Analysis of Financial Conditions and Results of Operations” and “Basis for Issue Price” on pages 88, 159 and 75 respectively of this Prospectus. For details of our management and managerial competence and for details of shareholding of our Promoters, please refer to sections titled "Our Management" and "Capital Structure" beginning on pages 108 and 56 of this Prospectus respectively.



Acquisition of Business/Undertakings & Amalgamation

Except as disclose in this Prospectus, there has been no acquisition of business/undertakings, mergers, amalgamation since incorporation.

Holding Company

As on the date of this Prospectus, our Company is not a subsidiary of any company.

Subsidiary of our Company

As on the date of this Prospectus, our Company is not having any subsidiary company.

Capital raising (Debt / Equity)

For details in relation to our capital raising activities through equity, please refer to the chapter titled “Capital Structure” beginning on page 56 of this Prospectus. For details of our Company’s debt facilities, please refer section “Statement of Financial Indebtedness” on page 157 of this Prospectus.

Time and Cost overruns in setting up projects

There has been no time / cost overrun in setting up projects by our Company.

Injunction or restraining order

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

Revaluation of Assets

Our Company has not revalued its assets since incorporation

Defaults or Rescheduling of borrowings with financial institutions/banks and Conversion of loans into Equity Shares

There have been no defaults or rescheduling of borrowings with any financial institutions/banks as on the date of this Prospectus. Furthermore, except as disclosed in chapter titled “Capital Structure” beginning on Page 56 of this Prospectus, none of the Company’s loans have been converted into equity in the past.

Lock-out or strikes

Our Company has, since incorporation, not been involved in any labour disputes or disturbances including strikes and lockouts. As on the date of this Prospectus, our employees are not unionized.

Shareholders of our Company:

Our Company has Nine (9) shareholders as on the date of this Prospectus. For further details on the shareholding pattern of our Company, please refer to the chapter titled “Capital Structure” beginning on page 56 of this Prospectus.

Changes in the Management

For details of change in Management, please see chapter titled “Our Management” on page 108 of this Prospectus.

Changes in activities of our Company during the last five (5) years

There has been no change in the business activities of our Company during last five (5) years from the date of this Prospectus which may have had a material effect on the profit/loss account of our Company except as mentioned in Material development in chapter



titled “Management’s discussion and analysis of financial conditions & results of operations” beginning on page 159 of this Prospectus,

Shareholders Agreements

As on the date of this Prospectus, there are no subsisting shareholder’s agreements among our shareholders in relation to our Company, to which our Company is a party or otherwise has notice of the same.

Collaboration Agreements

As on the date of this Prospectus, our Company is not a party to any collaboration agreements.

Material Agreement

Except as disclosed in this Prospectus, Our Company has not entered into any material agreement, other than the agreements entered into by it in normal course of its business.

OTHER AGREEMENTS

Non-Compete Agreement

Our Company has not entered into any Non-compete Agreement as on the date of filing of this Prospectus.

Joint Venture Agreement

Our Company does not have any Joint Venture as on the date of filing of this Prospectus.

Strategic Partners

Except as mentioned in this Prospectus, Our Company does not have any strategic partners as on the date of this Prospectus.

Financial Partners

Our Company does not have any financial partners as on the date of this Prospectus.

Corporate Profile of our Company

For details on the description of our Company’s activities, the growth of our Company, please see “Our Business”, “Management’s Discussion and Analysis of Financial Conditions and Results of Operations” and “Basis of Issue Price” on pages 88, 159 and 75 of this Prospectus.

OUR MANAGEMENT

Board of Directors: As per the Articles of Association, our Company is required to have not less than Three (3) Directors and not more than Fifteen (15) Directors. Currently, our Company has Six (6) Directors and out of which Three (3) are Non-Executive Independent Directors.

The following table sets forth the details regarding our Board of Directors of our Company as on the date of filing of this Prospectus:

Sr. No.	Name, Father's, Age, Designation, Experience, Address, Occupation, Nationality & DIN	Date of Appointment	No. of Equity Shares held & % of Share holding (Pre Issue)	Other Directorships
1.	Mr. Vikas Goel Father Name: Mr. Madan Lal Aggarwal Age: 46 Years Designation: Chairman cum Managing Director Address: H. No. 113, Sector 8, Panchkula-134109, Haryana, India Experience: 25 Years Occupation: Business Qualifications: Metric Nationality: Indian DIN: 05122585	Originally appointed on the Board as Director w.e.f. November 28, 2011 and designated as Managing Director from February 10, 2014. Further re-appointed as Chairman cum Managing Director w.e.f. April 04, 2018 for a period of 5 years, not liable to retire by rotation.	24,92,660 Equity Shares; 34.51% of Pre- Issue Paid up capital	NIL
2.	Mr. Vikas Gupta Father Name: Mr. Sat Pal Gupta Age: 42 Years Designation: Whole Time Director Address: H. No. 404, Sector 16, Panchkula-134113, Haryana, India Experience: 15 Years Occupation: Business Qualifications: B. Com and C.A. (Inter passed certificate) Nationality: Indian DIN: 05123386	Originally appointed on the Board as Director w.e.f. November 28, 2011. Further Designated as Whole Time Director w.e.f. April 04, 2018 for a period of 5 years, liable to retire by rotation	21,03,900 Equity Shares; 29.12% of Pre- Issue Paid up capital	NIL
3.	Mr. Mudit Goyal Father Name: Mr. Vikas Goel Age: 25 Years Designation: Whole Time Director Address: H. No. 113, Sector 8, Panchkula-134109, Haryana, India Experience: 2 Years Occupation: Business	Originally appointed on the Board as Additional Director w.e.f. March 31, 2018. Further Designated as Whole Time Director w.e.f. April 04, 2018 for a	1,81,500 Equity Shares; 2.51% of Pre- Issue Paid up capital	NIL

Sr. No.	Name, Father's, Age, Designation, Address, Experience, Occupation, Qualifications, Nationality & DIN	Date of Appointment	No. of Equity Shares held & % of Share holding (Pre Issue)	Other Directorships
	Qualifications: B.com Nationality: Indian DIN: 08099543	period of 5 years, liable to retire by rotation		
4.	Mr. Amit Mittal Father Name: Mr. Ram Pratap Mittal Age: 43 Years Designation: Non-Executive Independent Director Address: House No. 604, G.H.S, Sector 20, Panchkula- 134116, Haryana, India Experience: 20 years Occupation: Business Qualifications: B.Tech. Nationality: Indian DIN: 08099502	Originally Appointed as Non-Executive Independent Director on Board dated April 04, 2018	NIL	NIL
5.	Mr. Prabhat Kumar Father Name: Mr. Som Prakash Sharma Age: 62 Years Designation: Non-Executive Independent Director Address: H. No. 860, Sector 21, Panchkula-134113, Haryana, India Experience: 41 years Occupation: Retired Govt. Officer Qualifications: B.Sc. Nationality: Indian DIN: 08099531	Originally Appointed as Non-Executive Independent Director on Board dated April 04, 2018	NIL	NIL
6.	Mrs. Savita Bansal Father Name: Mr. Pawan Kumar Age: 43 Years Designation: Non-Executive Independent Director Address: H. No. 938, Sector 17 Panchkula- 134109, Haryana, India Experience: 6 years Occupation: Consultant Qualifications: B.A. Nationality: Indian DIN: 08099629	Originally Appointed as Non-Executive Independent Director on Board dated April 04, 2018	NIL	NIL

BRIEF PROFILE OF OUR DIRECTORS

1. Mr. Vikas Goel, Chairman cum Managing Director, Age: 46 Years

Mr. Vikas Goel aged 46 years, is Chairman cum Managing Director and also the Promoter of our Company. He holds a metric passed certificate. He was appointed on the Board on November 28, 2011 and further designated as Managing Director of the Company on February 10, 2014. Furthermore, re-designated as Chairman cum Managing Director of the Company on April 04, 2018 for a period of 5 years not liable to retire by rotation. He is actively engaged in managing the company since his appointed as Director. He has more than over 25 years in the field of Wheat Flour Industry. His experience has helped the Company to grow extensively over the period of time. He is playing vital role in formulating business strategies and effective implementation of the same. He is responsible for the expansion and overall management of the business of our Company. His leadership abilities have been instrumental in leading the core team of our Company.

2. Mr. Vikas Gupta, Whole-Time Director, Age: 42 Years

Mr. Vikas Gupta aged 42 years, is the Whole Time Director and the Promoter of our Company. He holds a degree of Bachelor of Commerce and Inter passed certificate from The Institute of Chartered Accountants of India for Accounting Technician. He was originally appointed on the Board on November 28, 2011 and further designated as the Whole Time Director of the Company on April 04, 2018 for a period of 5 years liable to retire by rotation. He has a profound experience of more than 15 years. He is with our company since from incorporation of our Company and has been involved in the business activities to set up business operations and many more things related to business activities. He looks after in the field of production, HR & Admin as well as Business Development.

3. Mr. Mudit Goyal, Whole-Time Director, Age: 25 Years

Mr. Mudit Goyal aged 25 years, is the Whole Time Director of our Company. He holds a degree of Bachelor of Commerce. He was originally appointed on the Board on March 31, 2018 as Additional Director and further re-designated as the Whole Time Director of the Company on April 04, 2018 for a period of 5 years liable to retire by rotation. He is having experience more than 2 years in the field of marketing. He joined our company from March 31, 2018 and after it he will look into the matters of marketing.

4. Mr. Amit Mittal, Non-Executive Independent Director, Age: 43 Years

Mr. Amit Mittal aged 43 Years is Non-Executive Independent Director of our Company appointed on April 04, 2018. He holds a Bachelor degree of engineering in Civil Branch from Bangalore Institute of Technology, Bangalore. He is having experience of 20 years in the field of engineering.

5. Mr. Prabhat Kumar, Non-Executive Independent Director, Age: 62 Years

Mr. Prabhat Kumar aged 62 Years is Non-Executive Independent Director of our Company appointed on April 04, 2018. He holds a Bachelor of Science degree from Punjab University, Punjab. He is having rich experience of more than 41 years in the field of Management.

6. Mrs. Savita Bansal, Non-Executive Independent Director, Age: 43 Years

Mrs. Savita Bansal aged 43 Years is Non-Executive Independent Director of our Company appointed on April 04, 2018. She holds a Bachelor degree in Arts from Kurukshetra University, Haryana. She is having experience of 6 years in the field of Management.

Confirmations

- None of our Directors is or was a director of any listed company during the last five years preceding the date of this Prospectus, whose shares have been or were suspended from being traded on the BSE or the NSE, during the term of their directorship in such company.
- None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchange during the tenure of their directorship in such company.

- None of the above mentioned Directors are on the RBI list of willful defaulters as on the date of filing of this Prospectus.
- Further, our Company, our Promoters, persons forming part of our Promoter Group, Directors and person in control of our Company has/ have not been not debarred from accessing the capital market by SEBI or any other Regulatory Authority.

Nature of any family relationship between any of our Directors:

Apart from Mr. Vikas Goel and Mr. Mudit Goyal who are related to each other as Father and son, none of the Directors of the Company are related to each other as per Sec 2 (77) of Companies Act, 2013.

Arrangements with major Shareholders, Customers, Suppliers or Others:

We have not entered into any arrangement or understanding with our major shareholders, customers, suppliers or others, pursuant to which any of our Directors were selected as Directors or members of the senior management.

Service Contracts:

The Directors of our Company have not entered into any service contracts with our company which provides for benefits upon termination of their employment.

Details of Borrowing Powers of Directors

Our Company has passed a Special Resolution in the Extra Ordinary General Meeting of the members held on April 04, 2018 authorizing the Board of Directors of the Company under Section 180 (1) (c) of the Companies Act, 2013 to borrow from time to time all such money as they may deem necessary for the purpose of business of our Company notwithstanding that money borrowed by the Company together with the monies already borrowed by our Company may exceed the aggregate of the paid up share capital and free reserves provided that the total amount borrowed by the Board of Directors shall not exceed the sum of Rs. 100 Crore (Rupees Hundred Crore only).

Compensation of our Managing Director and Whole Time Directors

The compensation payable to our Managing Director and Whole-time Directors will be governed as per the terms of their appointment and shall be subject to the provisions of Sections 2(54), 2(94), 188, 196, 197, 198 and 203 and any other applicable provisions, if any of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act, 1956, for the time being in force).

The following compensation has been approved for Managing Director and Whole Time Directors:

Particulars	Mr. Vikas Goel	Mr. Vikas Gupta	Mr. Mudit Goyal
Re-Appointment /Change in Designation	Resolution dated April 04, 2018	Resolution dated April 04, 2018	Resolution dated April 04, 2018
Designation	Chairman cum Managing Director	Whole-Time Director	Whole-Time Director
Term of Appointment	5 years Not liable to Retire by Rotation	5 years liable to Retire by Rotation	5 years liable to Retire by Rotation
Remuneration	3.34 Lacs per month	3.34 Lacs per month	1.69 Lacs per month
Remuneration paid for Year 2016-17	Rs. 7.20 Lacs p.a.	Rs. 4.80 Lacs p.a.	Nil

Bonus or Profit Sharing Plan for our Directors

We have no bonus or profit sharing plan for our Directors.

Sitting Fee

The Articles of Association of our Company provides that payment of sitting fees to Directors (other than Managing Director & Whole- time Directors) for attending a meeting of the Board or a Committee thereof shall be decided by the Board of Directors from time to time within the applicable maximum limits. Our Board of Directors has resolved in their meeting dated April 04, 2018 for payment to all Non-Executive Independent Directors for attending each such meeting of the Board or Committee thereof.

SHAREHOLDING OF OUR DIRECTORS IN OUR COMPANY

Sr. No.	Name of Director	No. of Shares held	Holding in %
1.	Mr. Vikas Goel	24,92,660	34.51
2.	Mr. Vikas Gupta	21,03,900	29.12
3.	Mr. Mudit Goyal	1,81,500	2.51

None of the Independent Directors of the Company holds any Equity Shares of Company as on the date of this Prospectus

Our Articles of Association do not require our Directors to hold any qualification Equity Shares in the Company.

INTEREST OF DIRECTORS

All the Directors may be deemed to be interested to the extent of fees payable to them for attending meetings of the Board of Directors or a Committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them under the Articles, and to the extent of remuneration paid to them for services rendered as an officer or employee of the Company. For further details, please refer- “Compensation of our Managing Director a Whole time Directors” above, in chapter titled “Our Management” beginning on page 108 of this Prospectus

Our Directors may also be regarded as interested their shareholding and dividend payable thereon, if any, Our Directors are also interested to the extent of Equity Shares, if any held by them in our Company or held by their relatives. Further our Director are also interested to the extent of unsecured loans, if any, given by them to our Company or by their relatives or by the companies/ firms in which they are interested as directors/Members/Partners. Further our Directors are also interested to the extent of loans, if any, taken by them or their relatives or taken by the companies/ firms in which they are interested as Directors/Members/Partners.

All Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company with any Company in which they hold Directorships or any partnership firm in which they are partners.

Except as stated otherwise in this Prospectus, our Company has not entered into any Contract, Agreements or Arrangements during the preceding two years from the date of this Prospectus in which the Directors are interested directly or indirectly and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be entered into with them.

Except as stated in this section “Our Management” or the section titled “Financial information of the Company - Related Party Transactions” beginning on page 108 and 154 respectively of this Prospectus, and except to the extent of shareholding in our Company, our Directors do not have any other interest in our business.

Further except as provided hereunder, our Directors are not interested in our Company in any manner:

Sr. No.	Director	Interest
1.	Mr. Vikas Goel	Our Director is interested the extent of receipt of Interest on Loan given to our Company. Also Our Director along with his relatives has extended Personal Property for mortgage and personal guarantee for cash credit facility from Union Bank of India amounting to Rs. 2892.00 Lacs. The Firm in which our Director is Partner has leased our Registered Office on monthly rent of Rs. 5000/-
2.	Mr. Vikas Gupta	Our Director is interested the extent of receipt of Interest on Loan given to our Company. Also Our Director along with relatives provided personal guarantee for cash credit facility from Union Bank of India amounting to Rs. 2892.00 Lacs

Interest in the property of Our Company

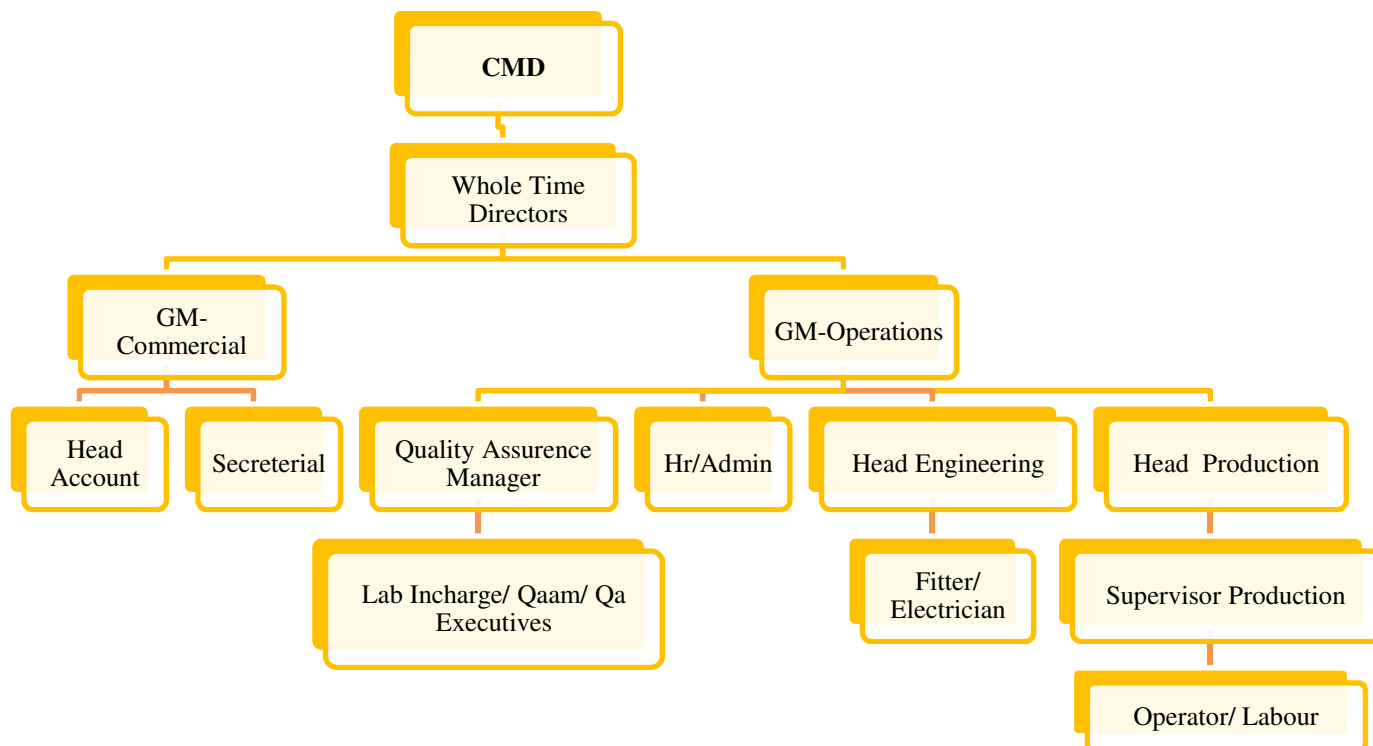
Except as disclosed above and in the chapters titled “Our Business” and “Financial Information of the Company – Related Party Transactions” and “History and Certain Corporate Matters” on page 88, 154 and 104 respectively of this Prospectus, our Directors do not have any interest in any property acquired two years prior to the date of this Prospectus.

CHANGES IN BOARD OF DIRECTORS IN LAST 3 YEARS

Sr. No.	Name	Date & Nature of Change	Reasons for Change
1.	Mr. Vikas Goel	Re-designated as Chairman cum Managing Director vide Board Meeting dated March 31, 2018, and vide EGM dated April 04, 2018.	As per the requirement of Section 196 of the Companies Act, 2013
2.	Mr. Vikas Gupta	Re-designated as Whole Time Director vide Board Meeting dated March 31, 2018, and vide EGM dated April 04, 2018.	As per the requirement of Section 196 of the Companies Act, 2013
3.	Mr. Mudit Goyal	Re-designated as Whole Time Director vide Board Meeting dated March 31, 2018, and vide EGM dated April 04, 2018.	As per the requirement of Section 196 of the Companies Act, 2013
4.	Mr. Prabhat Kumar	Appointed as Non-Executive Independent Director vide EGM dated April 04, 2018.	To ensure better Corporate Governance
5.	Mr. Amit Mittal	Appointed as Non-Executive Independent Director vide EGM dated April 04, 2018.	To ensure better Corporate Governance
6.	Mrs. Savita Bansal	Appointed as Non-Executive Independent Director vide EGM dated April 04, 2018.	To ensure better Corporate Governance
7.	Mr. Avinash Goel	Resignation from Board of Director in Board Meeting dated March 31, 2018.	Personal Reason
8.	Mr. Mudit Goyal	Appointed as Additional Director vide Board Meeting dated March 31, 2018.	To ensure better Corporate Governance
9.	Mr. Avinash Goel	Regularized and Re-designated as Technical Director vide Annual General Meeting Dated September 30, 2017.	As per the requirement of Section 196 of the Companies Act, 2013
10.	Mr. Aniket Verma	Resignation from Board of Director in Board Meeting dated August 08, 2016.	Personal Reason
11.	Mr. Avinash Goel	Appointed as Additional Technical Director vide Board Meeting dated July 28, 2016.	To ensure better Corporate Governance

MANAGEMENT ORGANISATION STRUCTURE

The following chart depicts our Management Organization Structure: -



COMPLIANCE WITH CORPORATE GOVERNANCE

In addition to the applicable provisions of the Companies Act, 2013, provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI (ICDR) Regulations, 2009 in respect of corporate governance will be applicable to our Company immediately upon the listing of our Company's Equity Shares on the SME Platform of BSE. The requirements pertaining to constitution of the committees such as the Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committees have been complied with.

Our Board has been constituted in compliance with the Companies Act and the SEBI Listing Regulations and in accordance with the best practices in corporate governance. Our Board functions either as a full board or through various committees constituted to oversee specific operational areas. The executive management provides our Board detailed reports on its performance periodically.

Our Board of Directors consist of Six (6) directors of which three (3) are Non-Executive Independent Directors (as defined under Regulation 16(1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015), Our Company has constituted the following committees:

1. Audit Committee

Our Company has constituted an Audit Committee ("Audit Committee"), vide Board Resolution dated April 04, 2018, as per the applicable provisions of the Section 177 of the Companies Act, 2013 and also to comply with Regulation 18 of SEBI Listing Regulations, 2015 applicable upon listing of the Company's Equity shares on SME platform of BSE, the constituted Audit Committee comprises following members:

Name of the Director	Status in Committee	Nature of Directorship
Mr. Prabhat Kumar	Chairman	Non-Executive Independent Director
Mr. Amit Mittal	Member	Non-Executive Independent Director
Mr. Vikas Goel	Member	Chairman cum Managing Director

The Company Secretary of our Company shall act as a Secretary to the Audit Committee. The Chairman of the Audit Committee shall attend the Annual General Meeting of our Company to answer shareholder queries. The scope and function of the Audit Committee and its terms of reference shall include the following:

A. Tenure: The Audit Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Audit Committee as approved by the Board.

B. Meetings of the Committee: The committee shall meet at least four times in a year and not more than 120 days shall elapse between any two meetings. The quorum for the meeting shall be either two members or one third of the members of the committee, whichever is higher but there shall be presence of minimum two Independent members at each meeting.

C. Role and Powers: The Role of Audit Committee together with its powers as Part C of Schedule II of SEBI Listing Regulation, 2015 and Companies Act, 2013 shall be as under:

1. Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval;
5. Reviewing, with the management, the half yearly 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;
 - modified opinion(s) in the draft audit report;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the listed entity with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company.
16. Discussing with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
18. 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;
19. The Audit Committee shall have authority to investigate into any matter in relation to the items specified in section 177(4) of Companies Act 2013 or referred to it by the Board.
20. 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;

21. To review the functioning of the whistle blower mechanism;
22. Approving the appointment of the Chief Financial Officer (i.e. the whole time finance director or any other person heading the finance function) after assessing the qualifications, experience and background, etc., of the candidate; and;
23. Audit committee shall oversee the vigil mechanism.
24. Audit Committee will facilitate KMP/auditor(s) of the Company to be heard in its meetings.
25. Carrying out any other function as is mentioned in the terms of reference of the audit committee or containing into SEBI Listing Regulations 2015.

Further, the Audit Committee shall mandatorily review the following:

- 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.
- f) Statement of deviations:
 - Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

2. Stakeholders Relationship Committee

Our Company has formed the Stakeholders Relationship Committee as per Regulation 20 of SEBI Listing Regulation, 2015 vide Resolution dated April 04, 2018. The constituted Stakeholders Relationship Committee comprises the following:

Name of the Director	Status in Committee	Nature of Directorship
Mr. Prabhat Kumar	Chairman	Non-Executive Independent Director
Mr. Amit Mittal	Member	Non-Executive Independent Director
Mr. Vikas Goel	Member	Chairman cum Managing Director

The Company Secretary of our Company shall act as a Secretary to the Stakeholders Relationship Committee. The scope and function of the Stakeholders Relationship Committee and its terms of reference shall include the following:

- A. Tenure:** The Stakeholders Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholders Relationship Committee as approved by the Board.
- B. Meetings:** The Stakeholders Relationship Committee shall meet at least four times a year with maximum interval of four months between two meetings and shall report to the Board on a quarterly basis regarding the status of redressal of complaints received from the shareholders of the Company. The quorum shall be two members present.
- C. Terms of Reference:** Redressal of shareholders' and investors' complaints, including and in respect of:
 - Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the space at back for recording transfers have been fully utilized.
 - Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;
 - Review the process and mechanism of redressal of Shareholders' /Investor's grievance and suggest measures of improving the system of redressal of Shareholders' /Investors' grievances.
 - Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/dividend warrants, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties.
 - Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly

received and resolved them.

- Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of insider Trading) Regulations, 2015 as amended from time to time.
- Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting, and
- Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

3. Nomination and Remuneration Committee

Our Company has formed the Nomination and Remuneration Committee as per Regulation 19 of SEBI Listing Regulation, 2015 vide Resolution dated April 04, 2018. The Nomination and Remuneration Committee comprise the following:

Name of the Director	Status in Committee	Nature of Directorship
Mr. Prabhat Kumar	Chairman	Non-Executive Independent Director
Mr. Amit Mittal	Member	Non-Executive Independent Director
Mrs. Savita Bansal	Member	Non-Executive Independent Director

The Company Secretary of our Company shall act as a Secretary to the Nomination and Remuneration Committee. The scope and function of the Committee and its terms of reference shall include the following:

A. Tenure: The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.

B. Meetings: The committee shall meet as and when the need arises for review of Managerial Remuneration. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher. The Chairperson of the nomination and remuneration committee may be present at the annual general meeting, to answer the shareholders queries; however, it shall be up to the chairperson to decide who shall answer the queries.

C. Role of Terms of Reference:

- Identify persons who are qualified to become directors and may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance;
- Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration for directors, KMPs and other employees;
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Devising a policy on diversity of board of directors;
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- Determine our Company's policy on specific remuneration package for the Managing Director / Executive Director including pension rights;
- Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors;
- Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose.
- Decide the amount of Commission payable to the Whole Time Directors;
- Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc.; and
- To formulate and administer the Employee Stock Option Scheme.

4. Corporate Social Responsibility (CSR) Committee

Our Company has formed Corporate Social Responsibility (CSR) Committee pursuant to the provisions of Section 135 of the Companies Act, 2013, vide Resolution dated April 04, 2018. Corporate Social Responsibility Committee comprising the following:

Name of the Director	Status in Committee	Nature of Directorship
Mr. Prabhat Kumar	Chairman	Non-Executive-Independent Director
Mr. Amit Mittal	Member	Non-Executive-Independent Director
Mr. Vikas Goel	Member	Chairman cum Managing Director

The Company Secretary of our Company shall act as a Secretary to the Corporate Social Responsibility Committee. The scope and function of the Committee and its terms of reference shall include the following:

The terms of reference of CSR Committee shall, inter-alia, include the following:

- To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per the Companies Act, 2013;
- To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the company;
- To monitor the CSR policy of the Company from time to time;
- Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

POLICY ON DISCLOSURES AND INTERNAL PROCEDURE FOR PREVENTION OF INSIDER TRADING

The provisions of regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on the SME platform of BSE. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of Equity Shares on stock exchanges. Further, Board of Directors at their meeting held on April 04, 2018 have approved and adopted the policy on insider trading in view of the proposed public Issue. Ms. Neharika Sodhi, Company Secretary & Compliance Officer will be responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the Code of Conduct under the overall supervision of the Board.

POLICY FOR DETERMINATION OF MATERIALITY & MATERIALITY OF RELATED PARTY TRANSACTIONS AND ON DEALING WITH RELATED PARTY TRANSACTIONS

The provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 will be applicable to our Company immediately upon the listing of Equity Shares of our Company on SME Platform of BSE. We shall comply with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on listing of Equity Shares on the SME platform of BSE. The Board of Directors at their meeting held on April 04, 2018 have approved and adopted the policy for determination of materiality and determination of materiality of related party transactions and on dealing with related party transactions.

Our Key Managerial Personnel

Our Company is supported by a well-laid team having good exposure to various operational aspects of our line of business. A brief about the Key Managerial Personnel of our Company is given below:

Name, Designation & Educational Qualification	Age (Year)	Date of joining as KMP	Compensation paid for the F.Y ended 2017 (in Rs Lacs)	Over all experience (in years)	Previous employment
Name: Mr. Vikas Goel Designation: Chairman cum Managing Director Qualification: Metric	46	Chairman cum Managing Director w.e.f. April 04, 2018	7.20	25 Years	--
Name: Mr. Vikas Gupta Designation: Whole Time Director Qualification: B.com and C.A. (Inter passed Certificate)	42	Whole Time Director w.e.f. April 04, 2018	4.80	15 Years	--
Name: Mr. Mudit Goyal Designation: Whole Time Director	25	Whole Time Director w.e.f. April	--	2 years	Vapco Industries

Qualification: B.com		04, 2018			
Name: Ms. Neharika Sodhi Designation: Company Secretary & Compliance Officer Qualification: B.com and Company Secretary	26	Appointed on November 27, 2017	--	12 months	Isabella Traders Limited, Ludhiana
Name: Mr. Vijay Sharma Designation: Chief Financial Officer Qualification: B.Com (Hons.) and C.A. (Inter Passed Certificate)	55	Appointed on March 31, 2018	--	24 years	JTL Infra Limited, Chandigarh

BRIEF PROFILE OF KEY MANAGERIAL PERSONNEL

1. Mr. Vikas Goel, Chairman cum Managing Director, Age: 46 Years

Mr. Vikas Goel aged 46 years, is Chairman cum Managing Director and also the Promoter of our Company. He holds a metric passed certificate. He was appointed on the Board on November 28, 2011 and further designated as Managing Director of the Company on February 10, 2014. Furthermore, re-designated as Chairman cum Managing Director of the Company on April 04, 2018 for a period of 5 years not liable to retire by rotation. He is actively engaged in managing the company since his appointed as Director. He has more than over 25 years in the field of Wheat Flour & Rice industry. His experience has helped the Company to grow extensively over the period of time. He is playing vital role in formulating business strategies and effective implementation of the same. He is responsible for the expansion and overall management of the business of our Company. His leadership abilities have been instrumental in leading the core team of our Company.

2. Mr. Vikas Gupta, Whole-Time Director, Age: 42 Years

Mr. Vikas Gupta aged 42 years, is the Whole Time Director and the Promoter of our Company. He holds a degree of bachelor of Commerce and Inter passed certificate from The Institute of Chartered Accountants of India for Accounting Technician. He was originally appointed on the Board on November 28, 2011 and further designated as the Whole Time Director of the Company on April 04, 2018 for a period of 5 years liable to retire by rotation. He has a profound experience of more than 15 years. He is with our company since from incorporation of our Company and has been involved in the business activities to set up business operations and many more things related to business activities. He looks after in the field of production, HR & Admin as well as Business Development.

3. Mr. Mudit Goyal, Whole-Time Director, Age: 25 Years

Mr. Mudit Goyal aged 25 years, is the Whole Time Director of our Company. He holds a degree of Bachelor of Commerce. He was originally appointed on the Board on March 31, 2018 and further designated as the Whole Time Director of the Company on April 04, 2018 for a period of 5 years liable to retire by rotation. He is having experience more than 2 years in the field of Marketing. He joined our company from March 31, 2018 and after it he will look into the matter of Marketing.

4. Ms. Neharika Sodhi, Company Secretary & Compliance Officer, Age: 26 Years

Ms. Neharika Sodhi is Company Secretary and Compliance officer of our Company. She holds a bachelor of Commerce degree and Company Secretary degree from Institute of Company Secretaries of India. In the past she was in the employment with Isabella Traders Limited, Ludhiana. She is having overall experience of one year in the field of Secretarial work. She looks after the secretarial matters of our Company. She joined our Company on November 27, 2017.

5. Mr. Vijay Sharma, Chief Financial Officer, Age: 55 Years

Mr. Vijay Sharma, is the Chief Financial Officer of our company. He holds bachelor of bachelor of Commerce (Hons.) from H.P. University and Inter passed certificate from The Institute of Chartered Accountants of India. He is having over all 24 years rich and vast experience in the field of Accounts and Finance. In the past he was working with JTL Infra Limited, having registered office in Chandigarh since from 2005 to 2017. He is appointed as Chief financial officer of the company on dated March 31, 2018. He looks after the financial matters of our Company.

RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL

Apart from Mr. Vikas Goel and Mr. Mudit Goyal who are related to each other as Father and son, None of Key Managerial persons stated above are related to each other.

We confirm that:

- All the persons named as our Key Managerial Personnel above are the permanent employees of our Company.
- There is no understanding with major shareholders, customers, suppliers or any others pursuant to which any of the above mentioned Key Managerial Personnel have been recruited.
- None of our KMPs except Mr. Vikas Goel, Mr. Vikas Gupta and Mr. Mudit Goyal, are also part of the Board of Directors.
- In respect of all above mentioned Key Managerial Personnel there has been no contingent or deferred compensation accrued for the year ended March 31, 2017.
- Except for the terms set forth in the appointment Letters the Key Managerial Personnel have not entered into any other contractual arrangements or service contracts (including retirement and termination benefits) with the issuer.
- Our Company does not have any bonus/profit sharing plan for any of the Key Managerial Personnel.
- None of the Key Managerial Personnel in our Company hold any shares of our Company as on the date of filing of this Prospectus except as under:

Sr. No.	Name of Director	No. of Shares held	Holding in %
1.	Mr. Vikas Goel	24,92,660	34.51
2.	Mr. Vikas Gupta	21,03,900	29.12
3.	Mr. Mudit Goyal	1,81,500	2.51

- Presently, we do not have ESOP/ESPS scheme for our employees.
- The turnover of KMPs is not high, compared to the Industry to which our Company belongs.

Payment of Benefits to Officers of our Company (non-salary related)

Except for any statutory payments made by our Company upon termination of services of its officer or employees, our Company has not paid any sum, any non-salary amount or benefit to any of its officers or to its employees including amounts towards super annuations, ex-gratia/rewards.

Changes in the Key Managerial Personnel in last three years:

There have been no changes in the Key Managerial Personnel of our Company during the last three years except as stated below:

Sr. No.	Name	Designation	Date of Appointment/ Cessation/Promotion/ Transfer	Reasons
1.	Mr. Vikas Goel	Chairman cum Managing Director	April 04, 2018	Change in Designation
2.	Mr. Vikas Gupta	Whole Time Director	April 04, 2018	Change in Designation
3.	Mr. Mudit Goyal	Whole Time Director	April 04, 2018	Change in Designation
4.	Mr. Vijay Sharma	Chief Financial Officer	March 31, 2018	Appointment
5.	Ms. Neharika Sodhi	Company Secretary	November 27, 2017	Appointment

INTEREST OF KEY MANAGERIAL PERSONNEL IN OUR COMPANY

Apart from shares held in the Company, and to the extent of remuneration allowed and reimbursement of expenses incurred by them for or on behalf of the Company and to the extent of loans and advances made to or borrowed from the Company, none of our Key managerial personal are interested in our Company, other than as mentioned below:

Sr. No.	Director	Interest
1.	Mr. Vikas Goel	Our KMP is interested the extent of receipt of Interest on Loan given to our Company. Also Our KMP along with his relatives has extended Personal Property for mortgage and personal

		<p>guarantee for cash credit facility from Union Bank of India amounting to Rs. 2892.00 Lacs.</p> <p>The Firm in which our KMP is Partner has leased our Registered Office on monthly rent of Rs. 5000/-</p>
2.	Mr. Vikas Gupta	<p>Our KMP is interested the extent of receipt of Interest on Loan given to our Company. Also Our KMP along with relatives provided personal guarantee for cash credit facility from Union Bank of India amounting to Rs. 2892.00 Lacs.</p>

Except as provided in this Prospectus, we have not entered into any contract, agreement or arrangement during the preceding 2 (two) years from the date of this Prospectus in which the Key Managerial Personnel are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them.

For the details unsecured loan taken from or given to our Directors/KMPs and for details of transaction entered by them in the past please refer to “Annexure VIII - Restated Statement of Related Party Transaction” on page 154 and Personal Guarantee towards Financial facilities of our Company please refer to “Statement of Financial Indebtedness” on page 157 of this Prospectus.

OTHER BENEFITS TO OUR KEY MANAGERIAL PERSONNEL

Except as stated in this Prospectus, there are no other benefits payable to our Key Managerial Personnel.

EMPLOYEES



The details about our employees appear under the Paragraph titled —Human Resource in Chapter Titled —Our Business beginning on page 88 of this Prospectus.

OUR PROMOTERS & PROMOTER GROUP

Mr. Vikas Goel and Mr. Vikas Gupta are the Promoters of our Company.

As on the date of this Prospectus, Mr. Vikas Goel and Mr. Vikas Gupta are holding 45,96,560 Equity Shares which in aggregate, constitutes 63.63% of the issued and paid-up Equity Share capital of our Company. Our Promoter and Promoter Group will continue to hold the majority of our post- Issue paid-up equity share capital of our Company.

Details of our Promoters: -

	Mr. Vikas Goel, Chairman cum Managing Director	
	Qualification	Metric
	Age	46 Years
	Address	H. No. 113, Sector 8, Panchkula-134109, Haryana, India
	Experience	25 years
	Occupation	Business
	Permanent Account Number	AATPG9478K
	Passport Number	G9348461
	Name of Bank & Bank Account Details	HDFC Bank & A/c No. 087310000015511
	Driving License Number	DLF/CH02/190346/2007
	Aadhar Card Number	3771 8904 7928
	No. of Equity Shares held in MFL [% of Shareholding (Pre Issue)]	24,92,660 Equity Shares of ₹ 10 each; 34.51% of Pre- Issue Paid up capital
	DIN	05122585
	Other Interests	Directorships in other Companies: NIL Partnership Firms: - Ganesh Flour Mills Madan Lal Vikas Kumar Kulwant Rai Ram Kishan HUF: - Madan Lal Aggarwal HUF (Member) Trust:- NIL
	Mr. Vikas Gupta, Whole Time Director	
	Qualification	B.Com and C.A. Inter Passed Certificate
	Age	42 years
	Address	H. No. 404, Sector 16, Panchkula-134113, Haryana, India
	Experience	15 Years
	Occupation	Business
	Permanent Account Number	ABTPG0907A
	Passport Number	J9980984
	Name of Bank & Bank Account Details	HDFC Bank & A/c No. 08731000001315
	Driving License Number	CH01/2008/0004625
	Aadhar Card Number	4311 9069 2513
	No. of Equity Shares held in MFL [% of Shareholding (Pre Issue)]	21,03,900 Equity Shares of ₹ 10 each; 29.12% of Pre- Issue Paid up capital
	DIN	05123386
	Other Interests	Directorships in other Companies: NIL Partnership Firms: - NIL HUF: - NIL Trust:- NIL

Declaration

We confirm that the Permanent Account Number, Bank Account Number and Passport Number of the Promoter which are available have been submitted to BSE at the time of filing of Prospectus with them.

Present Promoters of Our Company are Mr. Vikas Goel and Vikas Gupta. However, the original subscribers to the MOA of Our Company was Mr. Vikas Gupta, Mr. Satpal Gupta, Mrs. Shivani Gupta, Mr. Vikas Goel, Mr. Pankaj Goyal, Mr. Sanjay Verma, Mr. Aniket Verma and Mr. Abhishek Verma. For details of the shareholding acquired by the current promoters of our Company refer the capital buildup of our Promoter under chapter “Capital Structure” beginning on page 56 of this Prospectus.

Undertaking/ Confirmations

None of our Promoter or Promoter Group or Group Companies or person in control of our Company has been:

- prohibited or debarred from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority or
- refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.

None of our Promoter, person in control of our Company are or have ever been a promoter, director or person in control of any other company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

Further, neither our Promoter, the promoter group members nor our Group Company have been declared as a willful defaulter by the RBI or any other government authority nor there are any violations of securities laws committed by them in the past and no proceedings for violation of securities laws are pending against them.

Common Pursuits/ Conflict of Interest

None of our Group Company is engaged in similar line of business as our Company as on date of this Prospectus. For further details of our Group Companies refer to Section titled “Our Group Company” on page 126 of this Prospectus. Further some of firms are engaged in similar line of Business: -

➤ Ganesh Flour Mills (Partnership Firm)

We shall adopt the necessary procedures and practices as permitted by law to address any conflicting situations, as and when they may arise.

Interest in promotion of Our Company

The Promoters is interested to the extent of their shareholding in the Company, and any dividend and distributions which may be made by the Company in future. The related party transactions are disclosed in “Financial Statements of the Company” and “Our Management – Interest of Directors” and “Our Management – Interest of Key Managerial Personnel” on pages 128 & 108 of this Prospectus, respectively.

Interest in the property of Our Company

Except as mentioned in this Prospectus, our Promoters do not have any other interest in any property acquired by our Company in a period of two years before filing of this Prospectus or proposed to be acquired by us till date of filing the Prospectus with RoC.

Other Interest of Promoter

Our Promoters Mr. Vikas Goel and Mr. Vikas Gupta are interested to the extent of their shareholding and shareholding of their relatives in our Company. Our Promoters Mr. Vikas Goel who is also the Chairman cum Managing Director and Mr. Vikas Gupta who is Whole Time Director of our Company may be deemed to be interested to the extent of his remuneration, as per the terms of his appointment and reimbursement of expenses payable to him. Our Promoters may also be deemed interested to the extent of any unsecured loan given/taken by them to/from our Company.

Further except as provided hereunder, our promoters are not interested in our Company in any manner:

Sr. No.	Director	Interest
1.	Mr. Vikas Goel	Our promoter is interested the extent of receipt of Interest on Loan given to our Company. Also Our Promoter along with his Promoter Group has extended Personal Property for mortgage and personal guarantee for cash credit facility from Union Bank of India amounting to Rs. 2892.00 Lacs. The Firm in which our Promoter is Partner has leased our Registered Office on monthly rent of Rs. 5000/-
2.	Mr. Vikas Gupta	Our promoter is interested the extent of receipt of Interest on Loan given to our Company. Also Our promoter along with Promoter Group provided personal guarantee for cash credit facility from Union Bank of India amounting to Rs. 2892.00 Lacs

For transaction in respect of loans and other monetary transaction entered in past please refer Annexure VIII on “Restated Statement of Related Party Transactions” on page 154 forming part of “Financial Information of the Company” of this Prospectus.

Except as stated otherwise in this Prospectus, our Company has not entered into any contract, agreements or arrangements during the preceding two years from the date of this Prospectus or proposes to enter into any such contract in which our Promoter are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them.

Experience of Promoters in the line of business

Our Promoters Mr. Vikas Goel and Vikas Gupta are having experience of 25 Years and 15 Years respectively. The company shall also endeavor to ensure that relevant professional help is sought as and when required in the future.

Related Party Transactions

For the transactions with our Promoter Group entities please refer to section titled “Annexure – VIII Restated Statement of Related Party Transactions” on page 154 of this Prospectus.

Except as stated in “Annexure – VIII Restated Standalone Statement of Related Party Transactions” beginning on page 154 of this Prospectus, and as stated therein, our Promoters or any of the Promoter Group Entities do not have any other interest in our business.

Payment or Benefit to Promoter of Our Company

For details of payments or benefits paid to our Promoter, please refer to the chapter titled “Our Management” beginning on page 108 of this Prospectus. Also refer Annexure VIII on “Restated Standalone Statement of Related Party Transactions” on page 154 forming part of “Financial Information of the Company” of this Prospectus.

Companies / Firms from which the Promoter have disassociated themselves in the last (3) three years

Our Promoters have not disassociated themselves from any of the Companies, Firms or other entities during the last three years preceding the date of this Prospectus.

Other ventures of our Promoter

Save and except as disclosed in this section titled “Our Promoter and Promoter Group” and “Our Group Company” beginning on page 122 & 126 respectively of this Prospectus, there are no ventures promoted by our Promoter in which they have any business interests/ other interests as on date of this Prospectus.

Litigation details pertaining to our Promoter

For details on litigations and disputes pending against the Promoter and defaults made by the Promoter please refer to the section titled “Outstanding Litigations and Material Developments” beginning on page 172 of this Prospectus.

OUR PROMOTER GROUP

In addition to the Promoter named above, the following natural persons are part of our Promoter Group:

1. Natural Persons who are part of the Promoter Group

As per Regulation 2(zb) of the SEBI (ICDR) Regulations, 2009, the Natural persons who are part of the Promoter Group (due to their relationship with the Promoter), other than the Promoters, are as follows:

Relationship	Mr. Vikas Goel	Mr. Vikas Gupta
Father	Mr. Madan Lal Aggarwal	Mr. Sat Pal Gupta
Mother	Mrs. Indira Rani	Mrs. Bimla Devi
Spouse	Mrs. Savita Goyal	Mrs. Shivani Gupta
Brother	Mr. Pankaj Goyal	Mr. Pankaj Gupta
	Mr. Amit Goel	
Sister	Ms. Anuradha Aggarwal	-
Son	Mr. Mudit Goyal	Mr. Aryaman Gupta
Daughter	-	Ms. Dia Gupta
Spouse's Father	Mr. Satpal Singla	Mr. Darshan Lal
Spouse's Mother	Mrs. Kanta Singla	Mrs. Sawtanter Goyal
Spouse's Brother	Mr. Inderjeet Singla	Mr. Manik Goel
	Mr. Suresh Singla	Mr. Sandeep Goel
	Mr. Surender Singla	
Spouse's Sister	-	-

2. Corporate Entities or Firms forming part of the Promoter Group

As per Regulation 2(zb) of the SEBI (ICDR) Regulations, 2009, the following entities would form part of our Promoter Group:

Nature of Relationship	Entity
Any Body corporate in which ten percent or more of the equity share capital is held by the Promoter or an immediate relative of the Promoter or a firm or HUF in which the promoter or any one or more of his immediate relative is a member.	Nil
Any Body corporate in which a body corporate as provided above holds ten percent or more of the equity share capital	Nil
Any HUF or firm in which the aggregate shareholding of the promoter and his immediate relatives is equal to or more than ten percent of the total	Ganesh Flour Mills Madan Lal Vikas Kumar Kulwant Rai Ram Kishan Madan Lal Aggarwal HUF

OUR GROUP COMPANY

As per the SEBI ICDR Regulations, 2009 for the purpose of identification of Group Companies, our Company has considered companies covered under the Accounting Standard 18 (including Associate Companies) as per Restated Financial Statements. Further, pursuant to a resolution of our Board dated April 04, 2018 for the purpose of disclosure in relation to Group Companies in connection with the Issue, a company shall be considered material and disclosed as a Group Company if Such company forms part of the Promoter Group of our Company in terms of Regulation 2(1)(z)(b) of the SEBI Regulations and Companies who entered into one or more transactions with such company in preceding fiscal or audit period as the case may be exceeding 10% of total revenue of the company as per Restated Financial Statements.

No companies was covered under the material policy adopted by our Board, hence no Group Companies is disclosed as a Group Company of our Company.

DIVIDEND POLICY

Under the Companies Act, our Company can pay dividends upon a recommendation by our Board of Directors and approval by the shareholders at the general meeting of our Company. The Articles of Association of our Company give our shareholders, the right to decrease, and not to increase, the amount of dividend recommended by the Board of Directors.

The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. No dividend shall be payable for any financial except out of profits of our Company for that year or that of any previous financial year or years, which shall be arrived at after providing for depreciation in accordance with the provisions of Companies Act, 2013.

Our Company does not have any formal dividend policy for declaration of dividend in respect of 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 may depend on a number of factors, including the results of operations, earnings, Company's future expansion plans, capital requirements and surplus, general financial condition, contractual restrictions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

Our Company has not declared any dividend on the Equity Shares in the past five financial years. Our Company's corporate actions pertaining to payment of dividends in the past are not to be taken as being indicative of the payment of dividends by our Company in the future.

SECTION V – FINANCIAL INFORMATION OF THE COMPANY

RESTATED FINANCIAL STATEMENTS

Independent Auditors' Report

(As required by Section 26 of Companies Act, 2013 read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014)

To,
The Board of Directors,
Megastar Foods Limited,
Plot No. 807, Industrial Area,
Phase-II, Chandigarh-160102, India

Dear Sirs,

1. We have examined the attached Restated Financial Information of **M/s. Megastar Foods Limited** (hereinafter referred as “the Company”), which comprise of the Restated Summary Statement of Assets and Liabilities as at **31st December 2017, 31st March, 2017, 31 March, 2016, 31st March, 2015, 31st March, 2014 and 31st March, 2013**. The Restated Summary Statements of Profits and Loss and the Restated Summary Statement of Cash Flows for the **period ended on 31st December, 2017, 31st March, 2017, 31 March, 2016, 31st March, 2015, 31st March, 2014 and 31st March, 2013** and the Summary of Significant Accounting Policies as approved by the Board of Directors of the Company prepared in terms of the requirements of:
 - a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (“the Act”), read with the applicable provisions within Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 (“the Rules”);
 - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“the Regulation”) (“SEBI ICDR Regulations”) as amended from time to time in pursuance of provisions of Securities and Exchange Board of India Act, 1992 (“ICDR Regulations”).

The preparation of the Restated Financial Information is the responsibility of the Management of the Company for the purpose set out in paragraph 8 below. The Management’s responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Standalone Financial Information. The Management is also responsible for identifying and ensuring that the Company complies with the Rules and ICDR Regulations.

2. We have examined such Restated Financial Information taking into consideration:
 - (a) The terms of reference to our engagements with the Company requesting us to examine financial statements referred to above and proposed to be included in the Draft Prospectus/ Prospectus being issued by the Company for its proposed Initial Public Offering of equity shares in SME Platform of BSE (“IPO” or “SME IPO”); and
 - (b) The Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by ICAI (“The Guidance Note”).
3. Audit for the financial period ended on 31st December 2017 and for the financial years ended on March 31, 2017, 2016, 2015 & 2014 was conducted by Avnish Sharma & Associates and period ended March 31, 2013 was conducted by Bhutoria Ganesan & Company, Chartered Accountants and accordingly reliance has been placed on the financial information examined by them for the said years/period. The financial report included for these years/period is based solely on the report submitted by them.
4. The Statutory Audit of the Company are for the financial period ended on 31st December, 2017 & financial year ended on 31st March 2017, 31st March 2016, 31st March 2015, 31st March 2014 and 31st March 2013 which have been conducted by respective statutory auditors of the company and accordingly, reliance has been placed on the financial information examined by them. We have examined the books of account underlying those financial statements and other records of the Company, to the extent considered necessary by us, for the presentation of the Restated Summary Statements under the requirements of Schedule III of the Act.

5. Based on our examination, we report that:

- a) The **“Restated Statement of Assets and Liabilities”** as set out in **Annexure I** to this report, of the Company for the financial period ended on 31st December 2017 & financial year ended on 31st March 2017, 31st March 2016, 31st March 2015, 31st March 2014 and 31st March 2013, have been arrived at after making such adjustments and regroupings to the individual Financial Statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in **Annexure IV** to this Report.
- b) The **“Restated Statement of Profit and Loss”** as set out in **Annexure II** to this report, of the Company for the financial period ended on 31st December 2017 & financial year ended on 31st March 2017, 31st March 2016, 31st March 2015, 31st March 2014 and 31st March 2013, have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in **Annexure IV** to this Report.
- c) The **“Restated Statement of Cash Flow”** as set out in **Annexure III** to this report, of the Company for the financial period ended on 31st December 2017 & financial year ended on 31st March 2017, 31st March 2016, 31st March 2015, 31st March 2014 and 31st March 2013, have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Restated Summary Statements as set out in **Annexure IV** to this Report.

Based on the above and also as per the reliance placed by us on the audited financial statements of the company and Auditors Report there on which have been prepared by Statutory Auditor of the Company for the financial period ended on 31st December 2017 & financial year ended on 31st March 2017, 31st March 2016, 31st March 2015, 31st March 2014 and 31st March 2013, we are of the opinion that **“Restated Financial Statements”** or **“Restated Summary Statements”** have been made after incorporating:

- (i) Adjustments for any material amounts in the respective financial years have been made to which they relate; and
- (ii) There are no Extra-ordinary items except as shown in the Restated Profit & Loss Statement of that need to be disclosed separately in the Restated Summary Statements.
- (iii) Adjustments on account of the statutory audit qualifications, if any, have been adjusted and regrouped to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in **Annexure IV** to this Report.
- (iv) Adjustments in Financial Statements have been made in accordance with the correct accounting policies.
- (v) The Company has not paid dividend on its equity shares during the reporting period.

6. In terms of Schedule VIII of the SEBI (ICDR) Regulations, 2009 and other provisions relating to accounts, We, Mistry and Shah, Chartered Accountants, have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid Certificate No. 007138 dated February 06, 2014 issued by the “Peer Review Board” of the ICAI.

7. Other Financial Information:

- a) We have also examined the following financial information as set out in annexure prepared by the Management and as approved by the Board of Directors of the Company for the financial period ended on 31st December, 2017 & financial year ended on 31st March 2017, 31st March 2016, 31st March 2015, 31st March 2014 and 31st March 2013.

Restated Statement of Share Capital, Reserves And Surplus	Annexure I.1, I.2 & I.1.6
Restated Statement of Long Term And Short Term Borrowings	Annexure I.3, I.6, I.3.1, I.3.2
Restated Statement of Deferred Tax (Assets) / Liabilities	Annexure I.4
Restated Statement of Long Term Provisions	Annexure I.5
Restated Statement of Trade Payables	Annexure I.7
Restated Statement of Other Current Liabilities And Short Term Provisions	Annexure I.8 & I.9

Restated Statement of Fixed Assets	Annexure I.10
Restated Statement of Other Non-Current Assets	Annexure I.11
Restated Statement of Long-Term Loans And Advances	Annexure I.12
Restated Statement of Inventory	Annexure I.13
Restated Statement of Trade Receivables	Annexure I.14
Restated Statement of Cash & Cash Equivalents	Annexure I.15
Restated Statement of Short-Term Loans And Advances	Annexure I.16
Restated Statement of Other Current Assets	Annexure I.17
Restated Statement of Revenue from Operations	Annexure II.1
Restated Statement of Other Income	Annexure II.2
Restated Statement of Raw Material Consumed	Annexure II.3
Restated Statement of Changes in Inventory	Annexure II.4
Restated Statement of Employee Benefit Expenses	Annexure II.5
Restated Statement of Finance Cost	Annexure II.6
Restated Statement of Depreciation & Amortisation	Annexure II.7
Restated Statement of Other Expenses	Annexure II.8
Restated Statement of Tax shelter	Annexure V
Restated Statement of Capitalization	Annexure VI
Restated Statement of Contingent Liabilities	Annexure VII
Restated Statement of Related Party Transaction	Annexure VIII
Restated statement of Accounting Ratios	Annexure IX

- b) The Restated Financial Information contain all the disclosures required by the SEBI ICDR regulations and partial disclosures as required by Accounting Standards notified under the Companies Act, 1956 of India read with the General Circular 15/ 2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.
- c) We have carried out re-audit of the financial statements for the period from 1st April 2017 to 31st December 2017 & for the financial year ended on March 31st, 2017 as required by SEBI regulations. We have not audited any financial statements of the Company as of any date or for any period subsequent to December 31st, 2017. Accordingly, we do not express any opinion on the financial position, results or cash flows of the Company as of any date or for any period subsequent to December 31st, 2017.
- d) The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company in accordance with the provisions of the Act and the Financial Information referred to above is the responsibility of the management of the Company.
- e) In our opinion, the above financial information contained in Annexure I to Annexure IX of this report read along with the Restated Statement of Significant Accounting Policies and related Notes as set out in Annexure IV are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with Section 26 of the Act, read with the applicable provisions within Rule - 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended, the SEBI Regulations, The Revised Guidance Note on Reports in Company Prospectuses and Guidance Note on Audit Reports/Certificates on Financial Information in Offer Documents issued by the Institute of Chartered Accountants of India ("ICAI") to the extent applicable, as amended from time to time, and in terms of our engagement as agreed with you. We did not perform audit tests for the purpose of expressing an opinion on individual balances of account or summaries of selected transactions, and accordingly, we express no such opinion thereon.
- f) Consequently, the financial information has been prepared after making such regroupings and retrospective adjustments as were, in our opinion, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.



- g) The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit report, nor should this constructed as a new opinion on any of the financial statements referred to herein.
- h) We have no responsibility to update our report for events and circumstances occurring after the date of the report.
- i) Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the IPO-SME for Proposed Issue of Equity Shares of the Company and our report should not be used, referred to or distributed for any other purpose without our prior consent in writing.

For, Mistry and Shah
Chartered Accountants
F.R.N: - 122702W

Malav Shah
Partner
M. No. 117101

Date: April 07th, 2018
Place: Ahmedabad

ANNEXURE – I: RESTATED STATEMENT OF ASSETS AND LIABILITIES

(Rs. In Lakhs)

S.No.	Particulars	Note No.	As at 31st	As at 31st March				
			December, 2017	2017	2016	2015	2014	2013
A.	Equity and Liabilities							
1	Shareholders' Funds							
	Share Capital	I.1	597.00	597.00	597.00	597.00	597.00	173.00
	Reserves & Surplus	I.2	223.61	136.54	30.68	(28.24)	(0.09)	-
	Share application money pending allotment							
2	Non-Current Liabilities							
	Long-Term Borrowings	I.3	760.86	804.68	582.52	363.63	420.32	110.00
	Other Non-Current Liabilities		-	-	-	-	-	-
	Deferred Tax Liabilities	I.4	104.46	94.67	70.70	52.72	(0.02)	
	Long Term Provisions	I.5	7.65	5.99	3.38	0.45	0.56	
3	Current Liabilities							
	Short Term Borrowings	I.6	1,693.68	1,313.40	1,644.82	927.65	189.09	-
	Trade Payables	I.7	149.48	59.96	31.05	10.21	1.54	-
	Other Current Liabilities	I.8	377.99	148.09	121.70	84.52	105.44	3.15
	Short Term Provisions	I.9	2.84	-	-	-	-	-
	Total		3,917.57	3,160.33	3,081.85	2,007.93	1,313.84	286.15
B.	Assets							
1	Non-Current Assets							
	Fixed Assets							
	Tangible Assets	I.10	1,196.58	1,118.61	1,068.46	954.58	974.69	53.88
	Intangible Assets	I.10	-	-	-	-	-	-
	Capital Work In Progress	I.10	-	-	-	3.47	-	122.02
	Non-Current Investments		-	-	-	-	-	-
	Other Non-Current Assets	I.11	-	-	-	-	-	22.84
	Long Term Loans & Advances	I.12	19.18	15.69	16.51	7.29	6.28	6.26
2	Current Assets							
	Inventories	I.13	1,406.76	658.84	591.36	417.32	201.72	-
	Trade Receivables	I.14	886.00	1,259.07	1,077.22	482.16	92.79	-
	Cash and Bank Balances	I.15	55.89	11.34	181.40	41.46	28.90	1.61
	Short-Term Loans and Advances	I.16	285.90	43.34	119.19	88.68	0.70	79.53
	Other Current Assets	I.17	67.26	53.44	27.71	12.97	8.76	0.01
	Total		3,917.57	3,160.33	3,081.85	2,007.93	1,313.84	286.15

Note : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure IV, II, III.

ANNEXURE – II: RESTATED STATEMENT OF PROFIT AND LOSS

(Rs. In Lakhs)

S.No	Particulars	Note No.	As at 31st	For The Year Ended March 31,				
			December, 2017	2017	2016	2015	2014	2013
A.	Revenue:							
	Revenue from Operations	II.1	7,812.08	9,768.59	7,781.25	4,447.65	784.03	-
	Other income	II.2	24.67	7.66	23.06	2.51	1.33	-
	Total revenue		7,836.75	9,776.25	7,804.31	4,450.16	785.36	-
B.	Expenses:							
	Cost of Raw Material Consumed	II.3	6,405.76	8,604.68	6,824.64	3,979.01	758.32	-
	Changes in Inventories	II.4	(46.93)	8.20	21.31	(21.82)	(66.59)	-
	Purchase of Stock in Trade		528.77	-	-	-	-	-
	Employees Benefit Expenses	II.5	171.17	179.96	108.11	48.46	7.35	-
	Finance costs	II.6	205.62	232.30	198.63	126.04	33.85	-
	Depreciation and Amortization	II.7	63.11	71.75	60.66	51.00	16.75	-
	Other expenses	II.8	403.35	549.53	514.06	242.85	35.81	-
	Total Expenses		7,730.85	9,646.42	7,727.41	4,425.54	785.49	-
	Profit/(Loss) before exceptional items and tax		105.90	129.83	76.90	24.63	(0.13)	-
	Exceptional Items		-	-	-	-	-	-
	Profit before tax		105.90	129.83	76.90	24.63	(0.13)	-
	Tax expense :							
	Current tax		21.23	26.17	15.29	4.61	0.08	
	Earlier Year Taxes			-	-	-	-	-
	Deferred Tax		9.79	23.97	17.98	52.74	(0.02)	-
	MAT Reverse		(12.19)	(26.17)	(15.29)	(4.57)	(0.08)	
	Profit/(Loss) for the period/ year		87.07	105.86	58.92	(28.15)	(0.11)	-
	Earning per equity share in Rs							
	(1) Basic		1.46	1.77	0.99	-	-	-
	(2) Diluted		1.46	1.77	0.99	-	-	-

Note : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure IV, I, III.

ANNEXURE – III: RESTATED STATEMENT OF CASH FLOWS

(Rs. In Lakhs)

Particulars	As at 31st	For The Year Ended March 31,				
	December, 2017	2017	2016	2015	2014	2013
A. CASH FLOW FROM OPERATING ACTIVITIES						
Profit/ (Loss) before tax	105.90	129.83	76.90	24.63	(0.13)	-
Adjustments for:						
Depreciation	63.11	71.75	60.66	51.00	16.75	-
Interest Expense	192.98	218.14	179.78	121.94	33.75	-
Interest/ Other Income Received	(24.67)	(7.66)	(23.06)	(2.40)	(1.33)	-
Operating profit before working capital changes	337.32	412.06	294.28	195.17	49.04	-
Movements in working capital :						
(Increase)/ Decrease in Inventories	(747.92)	(67.48)	(174.04)	(215.60)	(201.72)	-
(Increase)/Decrease in Trade Receivables	373.07	(181.85)	(595.06)	(389.37)	(92.79)	
(Increase)/Decrease in Loans & Advances	(242.56)	75.85	(30.51)	(87.98)	78.83	(79.53)
(Increase)/Decrease in Other Current Assets/ Non-Current Assets	(13.82)	(25.73)	(14.74)	(4.21)	(8.75)	(5.07)
Increase/(Decrease) in Trade Payables and Other Current Liabilities	319.42	55.30	58.02	(12.25)	103.83	3.14
Cash generated from operations	25.51	268.15	(462.05)	(514.25)	(71.56)	(81.46)
Income tax paid during the year	6.19	-	-	-	-	-
Net cash from operating activities (A)	19.32	268.15	(462.05)	(514.25)	(71.56)	(81.46)
B. CASH FLOW FROM INVESTING ACTIVITIES						
Purchase of Fixed Assets	(141.09)	(121.90)	(171.06)	(34.41)	(815.52)	(122.01)
Pre-Operative Expenses	-	-	-	-	22.84	(22.84)
Increase in Long Term Loans & Advances	(3.49)	0.82	(9.22)	(1.01)	(0.02)	
Interest Received / Other Income	24.67	7.66	23.06	2.40	1.33	
Net cash from investing activities (B)	(119.91)	(113.42)	(157.22)	(33.02)	(791.37)	(144.85)
C. CASH FLOW FROM FINANCING ACTIVITIES						
Interest paid on borrowings	(192.98)	(218.14)	(179.78)	(121.94)	(33.75)	-
Proceeds/(Repayment) of Borrowings	336.46	(109.26)	936.06	681.87	499.41	104.54
Proceeds from Share Capital	-	-	-	-	424.00	123.00
Increase in Long Term Provisions	1.66	2.61	2.93	(0.11)	0.56	
Net cash from financing activities (C)	145.14	(324.79)	759.21	559.82	890.22	227.54
Net increase in cash and cash equivalents (A+B+C)	44.55	(170.06)	139.94	12.56	27.29	1.23
Cash and cash equivalents at the beginning of the year	11.34	181.40	41.46	28.90	1.61	0.38
Cash and cash equivalents at the end of the year	55.89	11.34	181.40	41.46	28.90	1.61
Note : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure IV, I, II.						

ANNEXURE IV – SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE RESTATED SUMMARY STATEMENT

Annexure - 1: CORPORATE INFORMATION: -

Megastar Foods Limited is engaged in the business of Roller Flour Mills Manufacturing Wheat products. The company was incorporated on 28th November, 2011 under the companies Act, 1956. The company has its registered office and Head office at 807, Industrial Area, Phase –II Chandigarh and Plant at Ropar District.

Annexure - 2: SIGNIFICANT ACCOUNTING POLICIES: -

a. Basis of accounting and preparation of financial statement: -

The summary statement of restated assets and liabilities of the Company as at December 31, 2017 and as at March 31, 2017, 2016, 2015, 2014 and 2013 and the related summary statement of restated profit and loss and cash flows for the nine months ended on December 31, 2017 and for the years ended March 31, 2017, 2016, 2015, 2014 and 2013 (collectively referred to as the “Restated summary financial information”) have been prepared specifically for the purpose of inclusion in the offer document to be filed by the Company in connection with the proposed Initial Public Offering (hereinafter referred to as ‘IPO’).

The restated summary financial information has been prepared by applying necessary adjustments to the financial statements (‘financial statements’) of the Company. The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the accounting standards specified under section 133 of the Companies Act, 2013, of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable and Securities and Exchange Board of India(Issue of Capital and Disclosure Requirements) regulations 2009, as amended(the "Regulations"). The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistently applied.

b. Use of Estimates: -

The preparation of financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosures of contingent liabilities. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Actual results could differ from the estimates.

c. Fixed Assets (Tangible / Intangible) & Capital Work-In-Progress: -

Tangible Fixed Assets are stated at cost less depreciation / amortisation and impairment losses, if any. The cost of Fixed Assets comprises its purchase price net of any taxes, duties, freight and other incidental expenses related to acquisition, improvements and installation of the assets.

All Pre-operative expenditure including borrowing costs specifically for the acquisition/project or interest on general borrowings to the extent utilized for such project, for the period upto the completion of erection is capitalized as part of the asset cost.

Projects under which Tangible Fixed Assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

Gains or Losses arising from derecognition of Fixed Assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Intangible Assets acquired separately are measured on initial recognition at cost. Following initial recognition, Intangible Assets are carried at cost less accumulated amortization and accumulated impairment, if any. Gains or losses arising from

derecognition of an Intangible Asset are measured as the difference between the net disposal proceeds and the carrying amount of the Asset and are recognized in the statement of profit and loss when the asset is derecognized.

d. Depreciation and Amortization: -

Depreciation on tangible assets is provided on “Straight Line Method” so as to write off the cost of assets over the useful lives and for the assets acquired prior to April 01st, 2014, the carrying amount as on April 01, 2014 is depreciated over the remaining useful life based on the evaluation. Further no depreciation is charged on Tangible Assets under Work-in-Progress.

In respect of additions to /deletions from the Fixed Assets, on prorata basis with reference to the month of addition/deletion of the assets.

Intangible assets are to be amortized on straight line basis over a period of five years.

The Management estimates are based on the useful life provided in the Schedule II to Companies Act 2013, However for certain assets the Management estimates differ from the useful life mentioned in Schedule II. The Useful Life of Various assets are mentioned below: -

Sr. No	Major Head	Useful Life
1.	Building	60 years
2.	Plant & Machinery	15 years
3.	Lab Equipments	10 Years
4.	Furniture & Fixtures	10 Years
5.	Motorcycle	10 Years
6.	Car & Truck	08 Years
7.	Office Equipments	05 Years
8.	Computers	03 Years

e. Impairment of tangible and intangible assets: -

The carrying amount of Assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors or an annual impairment testing for an asset is required. An Impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount.

The recoverable amount is the greater of the asset’s net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

f. Valuation of Inventories: -

Raw Material, Stores, Consumables & Packing Material are valued at Cost. Finished Goods is valued at Cost or Market Value whichever is lower & Scrap is valued at their net realizable value.

g. Prior Period Adjustments / Exception Items: -

All identifiable items of Income and Expenditure pertaining to prior period are accounted as “Prior Period Items”. “Exceptional items” are accounted depending on the nature of transaction.

h. Event Occurring After Balance Sheet Date: -

As per AS 4 Events occurring after the balance sheet date are those significant events, both favorable and unfavorable, that occur between the balance sheet date and the date on which the financial statements are approved by the Board of Directors in the case of a company, and, by the corresponding approving authority in the case of any other entity.

These events can broadly be classified in two ways:

- a) Those which provide further evidence of conditions that existed at the balance sheet date; and
- b) Those which are indicative of conditions that arose subsequent to the balance sheet date.

Adjustments to assets and liabilities are required for events occurring after the balance sheet date that provide additional information materially affecting the determination of the amounts relating to conditions existing at the balance sheet date.

i. Investments: -

Recognition and Measurement

Long-term investments, are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

On disposal of investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

Presentation and disclosures

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as Non-Current investments.

j. Revenue Recognition: -

Income from sale of service

Revenue from sale of Wheat flour is recognised in the statement of profit and loss as and when the title & all risk & rewards are passes to the ultimate buyer.

Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head “other income” in the statement of profit and loss.

k. Employee Benefits: -

- **Short Term Employee Benefits:**

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, performance incentives, etc., are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the employee renders the related service.

- **Post-Employment Benefits:**

- a) Defined Contribution Plans**

Payments made to a defined contribution plan such as Provident Fund is charged as an expense in the Statement of Profit and Loss as they fall due.

b) Defined Benefit Plans

For defined benefit plans in the form of Gratuity Fund, the cost of providing benefits is determined using the Projected Unit Credit (PUC) method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur.

Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested.

The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

l. Foreign Currency Transactions: -

On initial recognition, all foreign currency transactions are converted and recorded at exchange rates prevailing on the date of the transaction.

As at the reporting date, foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the Balance Sheet date and the exchange gains or losses are recognised in the Statement of Profit and Loss.

Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

m. Borrowing Costs: -

Borrowing costs that are directly attributable to the acquisition 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 that asset till the date it is put to use. Other borrowing costs are recognised as an expense in the period in which they are incurred.

n. Leases: -

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

o. Earnings Per Share (EPS): -

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

p. Taxes on Income: -

Tax expense comprises both current and deferred taxes. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available

Minimum Alternate Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

q. Provisions and Contingent Liability: -

A Provision is recognized, if as a result of past event the company has a present obligation that is reasonably estimable and it is probable that an outflow of economic benefits will be required to settle the Obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

r. Cash and Cash Equivalents (for the purpose of Cash Flow Statement): -

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand, fixed deposits with banks, which are short term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

s. Cash Flow Statement: -

Cash flows are reported using the indirect method, whereby profit / loss before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the company are segregated based on available information.

t. Information related to MSME

The company has not received any information from suppliers regarding their status under the Micro, Small and Medium Enterprise Development Act, 2006, and hence disclosure, if any, relating to amounts unpaid as at the year-end together with the interest paid / payable as required under the said Act has not been given.

Changes in Accounting policies in the periods/years covered in restated financials

There is no change in significant accounting policies adopted by the Company.

Notes on Restatements made in the Restated Financials

1. The financial statements including financial information have been prepared after making such regroupings and adjustments, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial statements/information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.

2. The Company does have information as to which of its supplier are Micro small and Medium Enterprise registered under The Micro small and Medium Enterprise Development Act 2006. But the liability, if any, of interest which would be payable under The Micro small and Medium Enterprise Development Act 2006, cannot be ascertained and the Company has not received any claims in respect of such interest and as such, no provision has been made in the books of accounts.

3. Employee benefits:

The Company has adopted the Accounting Standard 15 (revised 2005) on Employee Benefits as per an actuarial valuation in restated financials though such valuation is carried out by Life Insurance Corporation of India. The disclosures as envisaged under the standard are as under:-

Particulars	2013-14	2014-15	2015-16	2016-17	2017-18
No. of Employees	10	13	35	54	62
Monthly Salary (in Rs.)	138000.00	83980.00	520000.00	734840.00	900150.00
Average Age (In Years)	28	33	32	33	33
Average Past Service (in Years)	0.92	1.17	1.42	1.57	1.75
Expected future working life (In years) – decrement adjusted	8.29	7.97	7.77	7.71	7.75
Principal Valuation Assumption					
Discount Rate	9%	8%	8%	7%	7%
Estimated rate of increase in compensation Levels	6%	5%	5%	5%	5%
(Demographic)					
Mortality Basis	Indian Assured Lives Mortality (2006-08) Ult.	Indian Assured Lives Mortality (2006-08) Ult.	Indian Assured Lives Mortality (2006-08) Ult.	Indian Assured Lives Mortality (2006-08) Ult.	Indian Assured Lives Mortality (2006-08) Ult.
Attrition	10%	10%	10%	10%	10%
Disability	No Explicit Allowance	No Explicit Allowance	No Explicit Allowance	No Explicit Allowance	No Explicit Allowance
Valuation Results					
PV of obligations (in Rs.)	2013-14	2014-15	2015-16	2016-17	2017-18
Current	98	95	720	1086	1459
Non-Current	55714	45220	337694	598194	764414
Total	55812	45315	338414	599280	765873

4. Segment Reporting (AS 17)

The Company is required to disclose the information required by Accounting Standard- 17. No separate segments have, however, been reported as the company does not have more than one business Segment within the meaning of Accounting standard -17.

5. Change in Accounting Estimate

In Restated financials the Company has calculated the depreciation based on the rates given in Schedule XIV of the Companies Act, 1956 till 31.03.2014 and after 31.03.2014 based on the rates given in Schedule II of the Companies Act, 2013. In respect of assets whose useful life had already exhausted as on 1 April 2015, has been adjusted in Reserves and Surplus in accordance with requirements of Para 7 of Part C of Schedule II of the Act.

6. Provisions, Contingent Liabilities and Contingent Assets (AS 29)

Contingent liabilities and commitments (to the extent not provided for). There are no contingent liabilities as on December 31st, 2017 except as mentioned in Annexure-VII, for any of the years covered by the statements.

7. Related Party Disclosure (AS 18)

Related party transactions are reported as per AS-18 of Companies (Accounting Standards) Rules, 2006, as amended, in the Annexure – VIII of the enclosed financial statements.

8. Accounting for Taxes on Income (AS 22)

Deferred Tax liability/Asset in view of Accounting Standard – 22: “Accounting for Taxes on Income” as at the end of the year/period is reported as under.

Particulars	As at 31st	As at 31st March				
	December, 2017	2017	2016	2015	2014	2013
Deferred Tax Assets						
Related to Fixed Assets	-	-	-	-	-	-
Related to Gratuity Expenses	0.55	0.86	0.91	0.00	0.17	-
Total (a)	0.55	0.86	0.91	0.00	0.17	0.00
Deferred Tax Liability						
Related to Gratuity Expenses		-	-	0.03	-	-
Related to Fixed Assets	105.01	95.53	71.60	52.68	0.15	0
Disallowance under the Income Tax Act		-	-	-	-	-
Total (b)	105.01	95.53	71.60	52.72	0.15	0
Net deferred tax (asset)/liability{(b)-(a)}	104.46	94.67	70.70	52.72	(0.02)	-
Charged to Profit & Loss A/c	9.79	23.97	17.98	52.74	(0.02)	-

MATERIAL ADJUSTMENT TO THE RESTATED FINANCIAL STATEMENT:

1 Material Regrouping

Appropriate adjustments have been made in the Restated Standalone Financial Statements of Assets and Liabilities, Profit and Losses and Cash Flows, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities in order to bring them in line with the regroupings as per the audited financial statements of the company and the requirements of SEBI Regulations.

2. Material Adjustments :

The Summary of results of restatement made in the Audited Standalone Financial Statements for the respective years and its impact on the profit/(loss) of the Company is as follows:

(Rs. In Lakhs)

Particulars	31st	For The Year Ended March 31,				
	December	2017	2016	2015	2014	2013
(A) Net Profits as per audited financial statements (A)	86.22	104.50	64.16	(31.04)	0.28	-
Add/(Less) : Adjustments on account of -						
1) Expenses related to Other Period are transferred to respective Period	(0.45)	2.13	(1.68)	-	-	-
2) Difference in Calculation of Deferred Tax	(0.93)	(0.11)	(1.92)	2.25	0.17	-
3) Difference in Gratuity Expenses	2.23	(0.66)	(1.64)	0.64	(0.56)	-
Total Adjustments (B)	0.85	1.36	(5.24)	2.89	(0.39)	-
Restated Profit/ (Loss) (A+B)	87.07	105.86	58.92	(28.15)	(0.11)	-

3. Notes on Material Adjustments pertaining to prior years

(1) Prior Period & Prepaid Expenses Charged to Profit & Loss

During the F.Y. starting from 2015-16 Expenses Related to Other Accounting Period are transferred to respective Accounting Period.

(2) Difference in Calculation of Deferred Tax

Due to Change in Recognition of Gratuity Expenses which is recognized as per Actuary Report, Difference in Calculation of Deferred Tax arises

(3) Difference in Calculation of Gratuity Expenses

Gratuity Expenses are recognized as per Actuary Valuation Report, so that the difference between audited and restated financial statements arises.

ANNEXURE - I.1: Restated Statement of Share Capital

(Rs. In Lakhs)

Particulars	As at 31st	As at 31st March				
	December, 2017	2017	2016	2015	2014	2013
Authorized						
60,00,000 Equity Shares of Rs. 10 each	600.00	600.00	600.00	600.00	600.00	200.00
Issued						
59,70,000 Equity Shares of Rs. 10 Each	597.00	597.00	597.00	597.00	597.00	173.00
Subscribed & Fully Paid Up						
59,70,000 Equity Shares of Rs. 10 Each	597.00	597.00	597.00	597.00	597.00	173.00
Total	597.00	597.00	597.00	597.00	597.00	173.00
Notes :						
I.1.1 Right, Preferences and Restrictions attached to Shares:						
The Company has one class of equity shares having a par value of Rs. 10/- per share. Each Shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion of their shareholding.						

I.1.2 Reconciliation of No. of Shares Outstanding at the end of the year

(Rs. In Lakhs)

Particulars	As at 31st	As at 31st March				
	December, 2017	2017	2016	2015	2014	2013
Shares outstanding at the beginning of the year	5,970,000	5,970,000	5,970,000	5,970,000	1,730,000	500,000
Shares issued during the year	-	-	-	-	4,240,000	1,230,000
Share outstanding at the end of the year	5,970,000	5,970,000	5,970,000	5,970,000	5,970,000	1,730,000
I.1.3 The company has increased the Authorised Share Capital of Rs. 6,00,00,000 (divided into 60,00,000 Equity Shares of Rs. 10/- each) to Rs. 15,00,00,000 (divided into 1,50,00,000 Equity Shares of Rs. 10/- each) as approved vide ordinary resolution passed in the meetings of the members held on March 09, 2018.						
I.1.4 The company has allotted 12,53,700 equity shares of face value of Rs. 10 each on March 23, 2018 as bonus shares in the ratio of 21 equity shares for every 100 equity shares held as approved in the meeting of members held on March 09, 2018.						
I.1.5. The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure IV, I, II & III.						

I.1.6 Details of Shareholding more than 5% of the aggregate shares in the company

Name of Share holder	31-Dec-17		31-Mar-17		31-Mar-16		31-Mar-15		31-Mar-14		31-Mar-13	
	Nos	% of Holding	Nos	% of Holding	Nos	% of Holding	Nos	% of Holding	Nos	% of Holding	Nos	% of Holding
Vikas Goel	2210050	37.02	2210050	37.02	1583350	26.52	1583350	26.52	1583350	26.52	393350	22.74
Vikas Gupta	1910000	31.99	1910000	31.99	1910000	31.99	1910000	31.99	1910000	31.99	410000	23.70
Pankaj Goyal	1183350	19.82	1183350	19.82	1183350	19.82	1183350	19.82	1183350	19.82	383350	22.16
Sanjay Verma			-	-	396700	6.64	396700	6.64	396700	6.64	396700	22.93

ANNEXURE – I.2: Restated Statement of Reserves and Surplus

(Rs. In Lakhs)

Particulars	As at 31st	As at 31st March				
	December, 2017	2017	2016	2015	2014	2013
General Reserve						
Balance as at the beginning of the year	0.02	0.02	0.02	0.02	-	-
Add: Addition during the year		-	-	-	0.02	-
Balance as at the end of the year	0.02	0.02	0.02	0.02	0.02	-
Balance in Statement of Profit & Loss						
Balance as at the beginning of the year	136.52	30.66	(28.26)	(0.11)	-	
Add: Profit for the year	87.07	105.86	58.92	(28.15)	(0.11)	-
Balance as at the end of the year	223.59	136.52	30.66	(28.26)	(0.11)	-
Grand Total	223.61	136.54	30.68	(28.24)	(0.09)	-

Note I.2.1. The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure IV, I, II & III.

ANNEXURE – I.3: Restated Statement of Long Term Borrowings

(Rs. In Lakhs)

Particulars	31-Dec-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Secured:						
<u>From Banks:</u>						
Punjab National Bank	-	-	-	222.98	272.00	-
Union Bank of India	112.16	150.87	224.09			
HDFC Bank Limited	44.29	13.53	1.48	4.24		
<u>From NBFC:</u>						
Tata Capital	-	-	7.85	22.31	35.32	-
Vehicle Loans:						
<u>From Bank:</u>						
Toyota Financial Services Private Limited	17.25	27.71	-	-	-	-
Total	173.70	192.11	233.42	249.53	307.32	-
Unsecured Loan						
Total	587.16	612.57	349.10	114.10	113.00	110.00

Note I.3.1: There were no re-schedulement or default in the repayment of loans taken by the Company.

Note I.3.2: The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure IV, I, II & III.

ANNEXURE – I.4: Restated Statement of Deferred Tax Assets/(Liabilities) (Net)

(Rs. In Lakhs)

Particulars	As at 31st	As at 31st March				
	December, 2017	2017	2016	2015	2014	2013
Deferred Tax Assets						
Related to Fixed Assets	-	-	-	-	-	-
Related to Gratuity Expenses	0.55	0.86	0.91	0.00	0.17	-
Total (a)	0.55	0.86	0.91	0.00	0.17	0.00
Deferred Tax Liability						
Related to Gratuity Expenses	-	-	-	0.03	-	-
Related to Fixed Assets	105.01	95.53	71.60	52.68	0.15	0
Disallowance under the Income Tax Act	-	-	-	-	-	-
Total (b)	105.01	95.53	71.60	52.72	0.15	0
Net deferred tax (asset)/liability{(b)-(a)}	104.46	94.67	70.70	52.72	(0.02)	-
Charged to Profit & Loss A/c	9.79	23.97	17.98	52.74	(0.02)	-

Note I.4.1. The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure IV, I, II & III.

ANNEXURE – I.5: Restated Statement of Long Term Provisions

(Rs. In Lakhs)

Particulars	As at 31st	As at 31st March				
	December, 2017	2017	2016	2015	2014	2013
Provision for Gratuity	7.65	5.99	3.38	0.45	0.56	-
		-	-	-	-	-
Total	7.65	5.99	3.38	0.45	0.56	-

Note I.5.1. The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure IV, I, II & III.

ANNEXURE – I.6: Restated Statement of Short Term Borrowings

(Rs. In Lakhs)

Particulars	As at 31st	As at 31st March				
	December, 2017	2017	2016	2015	2014	2013
Secured Loans :						
Cash Credit facility from Punjab National Bank	-	-	-	927.65	189.09	-
Cash Credit facility from UBI	1692.54	1,085.84	1,396.21	-	-	-
UBI PCFC (Pre Shipment) A/c	-	145.66	107.85	-	-	-
UBI PCFC (Post Shipment) A/c	-	81.90	140.75	-	-	-
Punjab National Bank WHR A/c	1.14	-	-	-	-	-
Total	1,693.68	1,313.40	1,644.81	927.65	189.09	-

Note I.6.1. The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure IV, I, II & III.

ANNEXURE – I.7: Restated Statement of Trade Payables

(Rs. In Lakhs)

Particulars	As at 31st	As at 31st March				
	December, 2017	2017	2016	2015	2014	2013
Trade Payables due to						

- Micro and Small Enterprises	-	-	-	-	-	-
- Others	149.48	59.96	31.05	10.21	1.54	-
Total	149.48	59.96	31.05	10.21	1.54	-

Note I.7.1. The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure IV, I, II & III.

ANNEXURE – I.8: Restated Statement of Other Current Liabilities

(Rs. In Lakhs)

Particulars	As at 31st	As at 31st March				
	December, 2017	2017	2016	2015	2014	2013
Statutory Liabilities						
Duties & Taxes	2.46	-	-	0.43	0.19	1.03
EPF Payable	0.59	-	-	-	-	-
Other Liabilities						
Current Maturities of Long Term Debt	133.92	113.53	90.43	69.45	69.49	-
Advances from Customers	176.79	-	-	2.35	15.54	2.12
Other Expenses Payable	44.93	0.09	1.68	12.29	9.33	-
Other Payables	19.30	34.47	29.59	-	10.89	-
Grand Total	377.99	148.09	121.70	84.52	105.44	3.15

Note I.8.1. The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure IV, I, II & III.

ANNEXURE – I.9: Restated Statement of Short Term Provisions

(Rs. In Lakhs)

Particulars	As at 31st	As at 31st March				
	December, 2017	2017	2016	2015	2014	2013
Provision for Income Tax	2.83					
Provision for Employee Benefit	0.01					
Grand Total	2.84	-	-	-	-	-

Note I.9.1. The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure IV, I, II & III.

ANNEXURE – I.10: Restated Statement of Fixed Assets

(Rs. In Lakhs)

Particulars	As at 31st	As at 31st March				
	December, 2017	2017	2016	2015	2014	2013
Tangible Assets						
Land						
Gross Block	64.71	53.88	53.88	53.88	53.88	53.88
Less: Accumulated Depreciation	-	-	-	-	-	-
Net Block	64.71	53.88	53.88	53.88	53.88	53.88
Building						
Gross Block	288.58	284.24	284.24	280.46	280.46	-
Less: Accumulated Depreciation	19.71	16.33	11.85	7.38	2.96	-
Net Block	268.87	267.91	272.39	273.08	277.50	-
Office Equipments						
Gross Block	3.63	2.16	2.07	1.25	-	-
Less: Accumulated Depreciation	1.30	0.98	0.57	0.22	-	-
Net Block	2.33	1.18	1.50	1.03	-	-
Plant & Machinery						
Gross Block	767.04	711.04	694.43	591.85	587.56	-

Less: Accumulated Depreciation	167.72	132.78	88.15	48.01	10.62	-
Net Block	599.32	578.26	606.28	543.84	576.94	-
Computers						
Gross Block	7.38	4.73	2.77	1.97	1.60	-
Less: Accumulated Depreciation	3.56	2.46	1.57	0.70	0.08	-
Net Block	3.82	2.27	1.20	1.27	1.52	-
Lab Equipments						
Gross Block	7.00	6.54	6.52	6.14	-	-
Less: Accumulated Depreciation	2.41	1.91	1.28	0.67	-	-
Net Block	4.59	4.63	5.24	5.47	-	-
Furniture & Fixtures						
Gross Block	5.70	5.23	5.14	5.02	4.67	-
Less: Accumulated Depreciation	1.95	1.55	1.05	0.57	0.10	-
Net Block	3.75	3.68	4.09	4.45	4.57	-
Vehicles						
Gross Block	77.38	75.11	-	-	-	-
Less: Accumulated Depreciation	9.32	2.42	-	-	-	-
Net Block	68.06	72.69	-	-	-	-
Truck						
Gross Block	215.71	153.87	125.84	81.76	63.26	-
Less: Accumulated Depreciation	51.54	37.57	21.87	10.20	2.98	-
Net Block	164.17	116.30	103.97	71.56	60.28	-
Electrical Installation						
Gross Block	22.71	21.96	21.96	-	-	-
Less: Accumulated Depreciation	5.75	4.15	2.05	-	-	-
Net Block	16.96	17.81	19.91	-	-	-
Total Tangible Assets	1,196.58	1,118.61	1,068.46	954.58	974.69	53.88
Intangible Assets	-	-	-	-	-	-
Capital Work in Progress	-	-	-	3.47	-	122.02

Note I.10.1. The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure IV, I, II & III.

ANNEXURE – I.11: Restated Statement of Other Non-Current Assets

(Rs. In Lakhs)

Particulars	As at 31st	As at 31st March				
	December, 2017	2017	2016	2015	2014	2013
Pre - Operative Expenses	-	-	-	-	-	22.84
Total	-	-	-	-	-	22.84

Note I.11.1. The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure IV, I, II & III.

ANNEXURE – I.12: Restated Statement of Long Term Loans & Advances

(Rs. In Lakhs)

Particulars	As at 31st	As at 31st March				
	December, 2017	2017	2016	2015	2014	2013
Security Deposits	19.18	15.69	16.51	7.29	6.28	6.26
Total	19.18	15.69	16.51	7.29	6.28	6.26

Note I.12.1. The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure IV, I, II & III.

ANNEXURE – I.13: Restated Statement of Inventories
(Rs. In Lakhs)

Particulars	As at 31st	As at 31st March				
	December, 2017	2017	2016	2015	2014	2013
Raw Material	1212.28	536.39	443.95	294.35	117.56	
Finished Goods	105.83	58.90	67.10	88.41	66.59	-
Consumable Stores & Others	88.65	63.55	80.31	34.56	17.57	
Grand Total	1,406.76	658.84	591.36	417.32	201.72	-
Note I.13.1. The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure IV, I, II & III.						

ANNEXURE – I.14: Restated Statement of Trade Receivables
(Rs. In Lakhs)

Particulars	As at 31st	As at 31st March				
	December, 2017	2017	2016	2015	2014	2013
Outstanding for a period exceeding six months (Unsecured and considered Good)						
From Directors/Promoters/Promoter Group/Associates/ Relatives of Directors/ Group Companies.	-	-	-	-	-	-
Others	48.26	-	-	-	-	-
	-	-	-	-	-	-
Outstanding for a period not exceeding 6 months (Unsecured and considered Good)	-	-	-	-	-	-
From Directors/Promoters/Promoter Group/Associates/ Relatives of Directors/ Group Companies.	-	-	-	-	-	-
Others	837.74	1,259.07	1,077.22	482.16	92.79	
Grand Total	886.00	1,259.07	1,077.22	482.16	92.79	-
Note I.14.1. The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure IV, I, II & III.						

ANNEXURE – I.15: Restated Statement of Cash and Bank Balances
(Rs. In Lakhs)

Particulars	As at 31st	As at 31st March				
	December, 2017	2017	2016	2015	2014	2013
<u>Cash & Cash Equivalents</u>						
Cash in hand	41.84	4.47	34.29	11.19	0.80	0.81
<u>Balances with Banks:</u>						
Current Accounts	7.64	6.47	102.67	0.72	0.71	0.80
<u>Balances with Banks:</u>						
in Deposits Accounts*	6.41	0.40	44.44	29.55	27.39	-
Grand Total	55.89	11.34	181.40	41.46	28.90	1.61
Note I.15.1. The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure IV, I, II & III.						

ANNEXURE – I.16: Restated Statement of Short Term Loans and Advances
(Rs. In Lakhs)

Particulars	As at 31st	As at 31st March				
	December, 2017	2017	2016	2015	2014	2013
Advances recoverable in cash or kind for the value to be considered good						
<u>Unsecured & Considered good:</u>						
Advance to Creditors		-	-	-	-	73.25
Other Loans & Advances	285.90	43.34	119.19	88.68	0.70	6.28
Grand Total	285.90	43.34	119.19	88.68	0.70	79.53
Note I.16.1. The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure IV, I, II & III.						

ANNEXURE – I.17: Restated Statement of Other Current assets
(Rs. In Lakhs)

Particulars	As at 31st	As at 31st March				
	December, 2017	2017	2016	2015	2014	2013
<u>Unsecured Considered Good</u>						
Balances With Revenue Authorities						
TDS/MAT/ Income Tax Deposits (Current Year)	58.29	46.11	19.94	4.79	0.24	-
Recoverable Duties & Taxes from Govt.	3.46	3.47	4.62	2.92	3.00	0.01
Others						
Security Deposits	-	-	-	-	-	-
Others Current Assets	5.51	3.86	3.15	5.26	5.52	-
Grand Total	67.26	53.44	27.71	12.97	8.76	0.01
Note I.17.1. The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure IV, I, II & III.						

ANNEXURE – II.1: Restated Statement of Revenue from Operations
(Rs. In Lakhs)

Particulars	As at 31st	For The Year Ended March 31,				
	December, 2017	2017	2016	2015	2014	2013
Turnover of the Products manufactured	7812.08	9,768.59	7,781.25	4,447.65	784.03	
Turnover of the Products traded		-	-	-	-	-
Revenue from operations (gross)	7,812.08	9,768.59	7,781.25	4,447.65	784.03	-
Note II.1.1. The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure IV, I, II & III.						

ANNEXURE – II.2: Restated Statement of Other Income
(Rs. In Lakhs)

Particulars	As at 31st	For The Year Ended March 31,				
	December, 2017	2017	2016	2015	2014	2013
Interest Received	-	4.00	3.42	2.40	1.33	-
Rent Income	21.60	-	-	-	-	-
Foreign Exchange Fluctuation	3.07	0.75	13.89	-	-	-
Duty Drawback	-	2.91	5.75	-	-	-
Excess Provision for Gratuity Written Back	-	-	-	0.11	-	-
Grand Total	24.67	7.66	23.06	2.51	1.33	-
Note II.2.1. The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure IV, I, II & III.						

ANNEXURE – II.3: RESTATED STATEMENT OF COST OF RAW MATERIAL CONSUMED

(Rs. In Lakhs)

Particulars	As at 31st	For The Year Ended March 31,				
	December, 2017	2017	2016	2015	2014	2013
Raw Material Consumed	6382.04	8,581.23	6,820.46	3,977.06	756.95	-
Consumables	23.72	23.45	4.18	1.95	1.37	-
Grand Total	6,405.76	8,604.68	6,824.64	3,979.01	758.32	-

Note II.3.1. The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure IV, I, II & III.

ANNEXURE – II.4: Restated Statement of Changes in Inventories

(Rs. In Lakhs)

Particulars	As at 31st	For The Year Ended March 31,				
	December, 2017	2017	2016	2015	2014	2013
Opening Stock						
Finished Goods	58.90	67.10	88.41	66.59	-	-
Total (a)	58.90	67.10	88.41	66.59	-	-
Closing Stock						
Finished Goods	105.83	58.90	67.10	88.41	66.59	-
Total (b)	105.83	58.90	67.10	88.41	66.59	-
Grand Total	(46.93)	8.20	21.31	(21.82)	(66.59)	-

Note II.4.1. The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure IV, I, II & III.

ANNEXURE – II.5: Restated Statement of Employee Benefit Expense

Particulars	As at 31st	For The Year Ended March 31,				
	December, 2017	2017	2016	2015	2014	2013
Salaries, wages and Other Benefits	142.25	150.93	98.52	45.85	6.67	-
Director Remuneration	22.26	16.80	-	-	-	-
Contribution to Provident funds	2.76	2.25	1.96	0.98	-	-
Gratuity Exp.	1.66	2.61	2.93	-	0.56	-
Staff welfare Expenses	2.24	7.37	4.70	1.63	0.12	-
Grand Total	171.17	179.96	108.11	48.46	7.35	-

Note II.5.1. The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure IV, I, II & III.

ANNEXURE – II.6: Restated Statement of Finance costs

(Rs. In Lakhs)

Particulars	As at 31st	For The Year Ended March 31,				
	December, 2017	2017	2016	2015	2014	2013
Bank Charges	12.64	14.16	18.85	4.10	0.10	-
Interest on Borrowings	192.98	218.14	179.78	121.94	33.75	-
Grand Total	205.62	232.30	198.63	126.04	33.85	-

Note II.6.1. The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure IV, I, II & III.

ANNEXURE – II.7: Restated Statement of Depreciation & Amortization

(Rs. In Lakhs)

Particulars	As at 31st	For The Year Ended March 31,				
	December, 2017	2017	2016	2015	2014	2013
Depreciation	63.11	71.75	60.66	51.00	16.75	-
Grand Total	63.11	71.75	60.66	51.00	16.75	-

Note II.7.1. The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure IV, I, II & III.

and losses and cash flows appearing in Annexure IV, I, II & III.

ANNEXURE – II.8: Restated Statement of Other Expenses

(Rs. In Lakhs)

Particulars	As at 31st	For The Year Ended March 31,				
	December, 2017	2017	2016	2015	2014	2013
Auditors Remuneration	0.45	0.70	0.69	0.30	0.20	-
Commission & Brokerage	9.79	23.88	16.36	7.97	0.24	-
Rent	6.69	1.04	0.60	0.60	0.25	-
Repairs & Maintenance	3.20	17.51	12.64	5.33	0.50	-
Rate & Taxes	1.90	2.14	3.26	5.77	2.20	-
Insurance Expenses	6.04	5.70	10.02	3.76	0.21	-
Discount	39.21	62.23	21.16	26.27	2.78	-
Business Promotion Expenses	3.75	2.16	2.06	0.35	0.05	-
Freight Outward	41.04	112.99	183.49	30.55	0.19	-
Office Expenses	0.32	0.08	-	0.63	-	-
Printing & Stationary	1.42	0.98	0.97	0.50	0.12	-
Pest Control	2.15	3.05	2.15	1.78	0.34	-
Electricity & Water Expenses	167.16	188.08	150.99	97.31	18.17	-
Donation	0.83	1.31	0.47	0.52	-	-
Legal & Professional Fee	6.43	6.44	2.42	1.07	0.10	-
Lab Testing Expenses	1.30	1.62	1.28	1.24	0.27	-
Telephone & Internet Expenses	2.50	3.55	2.52	0.82	0.17	-
Truck Running & Maintenance Expenses	91.02	103.98	85.77	46.59	7.39	-
Garbage Collection Charges	0.37	0.48	0.40	0.69	-	-
Tour & Travel Expenses	8.80	3.46	10.09	3.26	0.55	-
Vehicle Running Expenses	1.97	3.43	1.90	3.76	-	-
Miscellaneous Expenses	1.2	0.75	1.53	0.10	0.39	-
Security Expenses	5.81	3.97	3.29	3.68	1.69	-
Grand Total	403.35	549.53	514.06	242.85	35.81	-

Note II.8.1. The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure IV, I, II & III.

ANNEXURE – 1.3.2 STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS AND ASSETS CHARGED AS SECURITY

(Rs. In Lakhs)

Name of Lender	Purpose	Sanctioned Amount (Rs.)	Rate of interest	Securities offered	Re-Payment Schedule	Outstanding amount as on (as per Books)
Union Bank of India	Cash Credit	2050.00	10.30%	By Hypothecation of Books Debts & Stock	-	1692.54
Union Bank of India	Term Loan	7.00	11.80%	By Hypothecation of Vehicle	Repayment will be made in EMI	5.63
Union Bank of India	Term Loan	181.00	10.30%	By Hypothecation of Fixed Assets created out of Term Loan including factory land and building	Installment from June-2015 to Sep-2019 = Rs. 13 Lacs, Oct 2019 to March 2020 = Rs. 13.50 lacs, March 2020 to March 2020 Rs. 13.50 Lacs	143.08
Union Bank of India	Term Loan	14.00	11.80%	By Hypothecation	Repayment will be	11.69

				of Vehicle	made in EMI	
Union Bank of India	Term Loan	36.00	10.30%	Hypothecation of Plant & Machinery & Other Fixed Assets	to be Repaid in 48 Monthly Installments	24.97
Toyota Financial Services Private Limited	Vehicle Loan	25.00	8.29%	Hypothecation of Vehicle	to be Repaid in 36 Monthly Installments	19.27
Toyota Financial Services Private Limited	Vehicle Loan	17.00	8.99%	Hypothecation of Vehicle	to be Repaid in 36 Monthly Installments	11.78
Punjab National Bank WHR	Working Capital Loan	790.00	9.45%	Hypothecation of Stocks	-	1.14
HDFC Bank Limited	Vehicle Loan	21.00	9.40%	Hypothecation of Vehicle	to be Repaid in 36 Monthly Installments	15.20
HDFC Bank Limited	Vehicle Loan	25.00	8.00%	Hypothecation of Vehicle	to be Repaid in 48 Monthly Installments	23.21
HDFC Bank Limited	Vehicle Loan	24.97	7.90%	Hypothecation of Vehicle	to be Repaid in 48 Monthly Installments	24.07
Total		3190.97				1972.58

ANNEXURE – 1.3.3 STATEMENT OF TERMS & CONDITIONS OF UNSECURED LOANS

- A) Details of Unsecured Loans outstanding as at the end of the latest Reporting period from Directors/Promoters/Promoter Group /Associates/Relatives of Directors/Group Companies/other entities Unsecured Loans from Promoters/Directors are interest free and all are taken without any preconditions attached towards repayments.

(Rs. In Lakhs)

Name of Lender	Purpose	Rate of interest	Re-Payment Schedule	Outstanding amount as on (as per Books) 31.12.2017
HDFC Bank Limited	Busines Loan	8.50%	144 Monthly Installment	172.87
HDFC Bank Limited	Busines Loan	8.31%	120 Monthly Installment	290.29
Mr. Vikas Gupta	Busines Loan	12.00%	on Demand	129.88
Mr. Satpal Gupta	Busines Loan	0.00%	on Demand	20.00
Smt. Shivani Gupta	Busines Loan	0.00%	on Demand	0.50
Mr. Vikas Goel	Busines Loan	12.00%	on Demand	2.32
Sub Total				615.86

ANNEXURE – V: MATERIAL ADJUSTMENT TO THE RESTATED FINANCIAL STATEMENTS

1 Material Regrouping						
Appropriate adjustments have been made in the Restated Standalone Financial Statements of Assets and Liabilities, Profit and Losses and Cash Flows, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities in order to bring them in line with the regroupings as per the audited financial statements of the company and the requirements of SEBI Regulations.						
2. Material Adjustments :						
The Summary of results of restatement made in the Audited Standalone Financial Statements for the respective years and its impact on the profit/(loss) of the Company is as follows:						
(Rs. In Lakhs)						
Particulars	31st December	For The Year Ended March 31,				
	2017	2017	2016	2015	2014	2013
(A) Net Profits as per audited financial statements (A)	86.22	104.50	64.16	(31.04)	0.28	-

Add/(Less) : Adjustments on account of -						
1) Expenses related to Other Period are transferred to respective Period	(0.45)	2.13	(1.68)	-	-	-
2) Difference in Calculation of Deferred Tax	(0.93)	(0.11)	(1.92)	2.25	0.17	-
3) Difference in Gratuity Expenses	2.23	(0.66)	(1.64)	0.64	(0.56)	-
Total Adjustments (B)	0.85	1.36	(5.24)	2.89	(0.39)	-
Restated Profit/ (Loss) (A+B)	87.07	105.86	58.92	(28.15)	(0.11)	-
	87.07	105.86	58.92	(28.15)	(0.11)	
3. Notes on Material Adjustments pertaining to prior years						
(1) Prior Period & Prepaid Expenses Charged to Profit & Loss						
During the F.Y. starting from 2015-16 Expenses Related to Other Accounting Period are transferred to respective Accounting Period.						
(2) Difference in Calculation of Deferred Tax						
Due to Change in Recognition of Gratuity Expenses which is recognized as per Actuary Report, Difference in Calculation of Deferred Tax arises.						
(3) Difference in Calculation of Gratuity Expenses						
Gratuity Expenses are recognized as per Actuary Valuation Report, so that the difference between audited and restated financial statements arises.						

ANNEXURE - V: RESTATED STATEMENT OF TAX SHELTERS

(Rs. In Lakhs)

Sr. No	Particulars	As at 31st December	As at 31st March				
		2017	2017	2016	2015	2014	2013
A	Restated Profit before tax	105.90	129.83	76.90	24.63	(0.13)	-
	Short Term Capital Gain at special rate		-	-	-	-	-
	Normal Corporate Tax Rates (%)	33.06%	33.06%	33.06%	30.90%	32.45%	32.45%
	Short Term Capital Gain at special rate		-	-	-	-	-
	MAT Tax Rates (%)	20.39%	20.39%	20.39%	19.06%	20.01%	20.01%
B	Tax thereon (including surcharge and education cess)						
	Tax on normal profits	35.01	42.93	25.43	7.61	(0.04)	-
	Short Term Capital Gain at special rate		-	-	-	-	-
	Total	35.01	42.93	25.43	7.61	(0.04)	-
	Adjustments:						
C	Permanent Differences						
	Deduction allowed under Income Tax Act	-	-	-	-	-	-
	Exempt Income	-	-	-	-	-	-
	Allowance of Expenses under the Income Tax Act						
	Disallowance of Income under the Income Tax Act	-	-			-	
	Disallowance of Expenses	-	(4.58)	(2.04)	(1.17)	(0.04)	-

	under the Income Tax Act						
	Total Permanent Differences	-	(4.58)	(2.04)	(1.17)	(0.04)	-
D	Timing Differences						
	Difference between tax depreciation and book depreciation	(29.63)	(57.75)	(62.67)	(25.10)	(0.48)	-
	Provision for Gratuity disallowed	1.66	2.61	2.93	(0.11)	0.56	-
	Expense disallowed u/s 43B	-	-	-	-	-	-
	Total Timing Differences	(27.97)	(55.14)	(59.74)	(25.21)	0.08	-
E	Net Adjustments E= (C+D)	(27.97)	(59.72)	(61.78)	(26.38)	0.04	-
F	Tax expense/(saving) thereon	(9.25)	(19.75)	(20.43)	(8.15)	0.01	-
G	Total Income/(loss) (A+E)	77.93	70.11	15.12	(1.76)	(0.09)	-
	Taxable Income/ (Loss) as per MAT	105.90	129.83	76.90	24.63	(0.13)	-
I	Income Tax as per normal provision	25.77	23.18	5.00	(0.54)	(0.03)	-
J	Income Tax under Minimum Alternative Tax under Section 115 JB of the Income Tax Act	21.59	26.47	15.68	4.69	(0.03)	-
	Net Tax Expenses (Higher of I,J)	25.77	26.47	15.68	4.69	(0.03)	-
K	Relief u/s 90/91		-	-	-	-	-
	Total Current Tax Expenses	25.77	26.47	15.68	4.69	(0.03)	-

ANNEXURE - VI: RESTATED STATEMENT OF CAPITALISATION

(Rs. In Lakhs)

(As in Balance Sheet)			
Sr. No	Particulars	Pre issue	Post issue
	Debts		
A	Long Term Debt*	894.78	894.78
B	Short Term Debt*	1,693.68	1,693.68
C	Total Debt	2,588.46	2,588.46
	Equity Shareholders Funds		
	Equity Share Capital**	597.00	990.37
	Reserves and Surplus*	223.61	584.24
D	Total Equity	820.61	1,574.61
E	Total Capitalization	3,409.07	4,163.07
	Long Term Debt/ Equity Ratio (A/D)	1.09	0.57
	Total Debt/ Equity Ratio (C/D)	3.15	1.64
Notes :			
1) Long Term Debt are borrowings other than short-term borrowings and also includes current maturities of long- term debt included in other current liabilities.			
* The amounts are consider as outstanding as on 31.12.2017			
** Equity capital is considered as represented on Signed the such Report			

ANNEXURE - VII: RESTATED STATEMENT OF CONTINGENT LIABILITIES

(Rs. In Lakhs)

Particulars	31st December	As at 31st March				
	2017	2017	2016	2015	2014	2013
1. Bank Guarantee/ LC Discounting for which FDR margin money has been given to the bank as Security	1.57	2.17	25.80	25.80	25.80	-

2. Capital Commitment		-	-	-	-	-
3. Income Tax Demand		-	-	-	-	-
4. TDS Demands		-	-	-	-	-
Total	1.57	2.17	25.80	25.80	25.80	-

ANNEXURE - VIII: RESTATED STATEMENT OF RELATED PARTY DISCLOSURES

As required under Accounting Standard 18 "Related Party Disclosures" as notified pursuant to Company (Accounting Standard) Rules 2006, following are details of transactions during the year with related parties of the company as defined in AS 18.

A. List of Related Parties and Nature of Relationship:

Particulars	Name of Related Parties
1. Enterprises where control exist	
a) Associates Concerns	Kuber Roller Flour Mills
	Ganesh Flour Mills
	Kulwant Rai Ramkishan
2. Other Related Parties:	
a) Key Management Personnel's	Mr. Vikas Goel
	Mr. Vikas Gupta
	Mr. Avinash Goel
b) Relatives of Key Management Personnel's & Shareholders	Mrs. Savita Goyal
	Mr. Pankaj Goyal
	Mr. Satpal Gupta
	Mrs. Shivani Gupta
	Mrs. Sanjay Verma
	Mr. Aniket Verma
	Mr. Abhishek Verma

B. Transactions carried out with related parties referred to in (1) above, in ordinary course of business:

(Rs. In Lakhs)

Nature of Transactions	Name of Related Parties	As at December 31	As at March 31				
		2017	2017	2016	2015	2014	2013
1. Directors Remuneration	Mr. Vikas Goel	11.25	7.20	-	-	-	-
	Mr. Vikas Gupta	9.00	4.80	-	-	-	-
	Mr. Avinash Goyal	2.40	4.80	-	-	-	-
Total		22.65	16.80	-	-	-	-
2. Interest Paid	Mr. Vikas Goel	1.68	2.02	-	-	-	-
	Mr. Vikas Gupta	16.36	22.57				
	Mr. Avinash Goyal	2.27	4.77				
Total		20.31	29.36	-	-	-	-
3. Loan Received/(given) during the Year from Directors and Shareholders	Mr. Vikas Goel	(27.20)	28.80	-	(43.00)	43.00	-
	M/s Ganesh Flour Mills						
	Mr. Pankaj Goyal	-	(1.00)	-	(10.00)	10.00	-
	Mr. Avinash Goyal	(75.00)	22.50	-	-	25.00	-
	Mr. Sanjay Verma	-	(51.80)	36.00	15.80	-	-
	Mr. Satpal Gupta	-	-	-	20.00	-	-
	Mr. Vikas Gupta	(99.85)	48.85	144.00	-	-	-
	Mr. Aniket Verma	-	(40.00)	40.00	-	-	-

	Mr. Abhishek Verma	-	(15.00)	15.00	-	-	-
	Mrs. Shivani Gupta	-	0.50		(15.00)		
	Mrs. Savita Goel	-	(1.00)				
	M/s Ganesh Flour Mills	(12.84)	(50.00)				
Total		(214.89)	(58.15)	235.00	(32.20)	78.00	-
4. Rent Paid	Kulwant Rai Ram Kishan	0.45	0.60	0.60	0.60	0.70	-
Total		0.45	0.60	0.60	0.60	0.70	-
5. Sales	Kuber Roller Flour Mill	-	5.03	73.37	59.72	264.64	-
	Ganesh Flour Mills		5.08	0.25	1.42	-	-
	Kulwant Rai Ram Kishan	20.32	-	4.65	-	-	-
Total		20.32	10.11	78.27	61.14	264.64	-
6. Purchase	Kuber Roller Flour Mill	-	728.61	845.51	132.33	2.23	-
	Ganesh Flour Mill	3.88	11.62	0.32	-	-	-
Total		3.88	740.23	845.83	132.33	2.23	-

C. Outstanding Balance as at the end of the year

(Rs. In Lakhs)

Nature of Transactions	Name of Related Parties	As at December 31	As at March 31				
		2017	2017	2016	2015	2014	2013
1. Receivables	Kuber Roller Flour Mill		-	-	59.50	-	-
	Mr. Pankaj Goyal	1.00	1.00	-	-	-	-
	Mrs. Savita Goel	1.00	1.00				
	Kulwant Rai Ram Kishan	-	1.03	-	-	-	-
	Ganesh Flour Mills	60.05	47.21	-	1.42	-	-
	Mr. Avinash Goyal	20.89	-	-	-	-	-
Total		82.94	50.24	-	60.92	-	-
2. Payables	Kuber Roller Flour Mill	-	30.48	-	-	15.54	-
	Mr. Vikas Goel	2.32	27.84	-	-	43.00	-
	Mr. Pankaj Goyal	-	-	-	-	10.00	-
	Mr. Avinash Goyal	-	51.84	25.00	25.00	25.00	-
	Mr. Sanjay Verma	-	-	51.80	15.80	-	-
	Mr. Satpal Gupta	20.00	20.00	20.00	20.00	-	-
	Mr. Aniket Verma	-	-	40.00	-	-	-
	Mr. Abhishek Verma	-	-	15.00	-	-	-
	Mr. Vikas Gupta	129.88	213.37	144.00	-	-	-
	Mrs. Shivani Gupta	0.50	0.50	-	-	-	-
Total		152.70	344.03	295.80	60.80	93.54	-

ANNEXURE - IX: RESTATED STATEMENT OF ACCOUNTING RATIOS

(Rs. In Lakhs)

Particulars	31st December	As at 31st March				
	2017	2017	2016	2015	2014	2013
Restated PAT as per P& L Account (Rs. in Lakhs)	87.07	105.86	58.92	(28.15)	(0.11)	-
Weighted Average Number of Equity Shares at the end of the Year (Note -2)	5970000	5970000	5970000	5970000	1,746,356	504,740
Weighted Average Number of Equity Shares at the end of the Year (Note -2) (Post Bonus)	7223700	7223700	7223700	7223700	2113090.96	610735.068
Net Worth	820.61	733.54	627.68	568.76	596.91	173.00
Current Assets	2,701.81	2,026.03	1,996.88	1,042.59	332.87	81.15
Current Liabilities	2,223.99	1,521.45	1,797.57	1,022.38	296.07	3.15
Earnings Per Share without bonus effect						
Basic (In Rupees) (Note 1.a)	1.46	1.77	0.99	-	-	-
Diluted (In Rupees)* (Note 1.b)	1.46	1.77	0.99	-	-	-
Earnings Per Share after bonus effect						
Basic (In Rupees) (Note 1.a)	1.21	1.47	0.82	0.00	0.00	0.00
Diluted (In Rupees)* (Note 1.b)	1.21	1.47	0.82	0.00	0.00	0.00
Return on Net Worth (%)	10.61%	14.43%	9.39%	-4.95%	-0.02%	0.00%
Net Asset Value Per Share (Rs)	13.75	12.29	10.51	9.53	34.18	34.28
Current Ratio	1.21	1.33	1.11	1.02	1.12	25.76
Nominal Value per Equity share after Share split (Rs.)	10	10	10	10	10	10
* The Company does not have any diluted potential Equity Shares. Consequently the basic and diluted profit/earning per share of the company remain the same.						
Notes :						
1) The ratios have been calculated as below:						
a) Basic Earnings Per Share (Rs.) = Restated PAT attributable to Equity Shareholders/ Weighted Average Number of Equity Shares outstanding during the six months/year.						
b) Diluted Earnings Per Share (Rs.) = Restated PAT attributable to Equity Shareholders/ Weighted Average Number of Diluted Potential Equity Shares outstanding during the six months/year.						
c) Return on Net Worth (%) = Restated PAT attributable to Equity Shareholders/ Net Worth X 100						
d) Restated Net Asset Value per equity share (Rs.) = Restated Net Worth as at the end of the six months/year/ Total Number of Equity Shares outstanding during the six months/year.						
2) Weighted Average Number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. Further, number of shares are after considering impact of the bonus shares in the ratio of 21 bonus share for 100 fully paid up equity share to the existing shareholders (Alloted on March 23, 2018) , an issue without consideration, treating the said issue as if it had occurred prior to the beginning of the year 2012-13, the earliest period reported.						
3) Earnings Per Share calculation are in accordance with Accounting Standard 20- Earnings Per Share, notified under the Companies (Accounting Standards) Rules 2006, as amended.						
4) Net Worth = Equity Share Capital + Reserve and Surplus (including surplus in the Statement of Profit & Loss)						
5) The figures disclosed above are based on the Restated Financial Statements of the Company.						

STATEMENT OF FINANCIAL INDEBTEDNESS

To,

**The Board of Directors,
Megastar Foods Limited,**
Plot No. 807,
Industrial Area,
Phase-II
Chandigarh 160102

Dear Sir,

The principal terms of loans as on **31st December, 2017** is as given below:

(Rs. In Lakhs)

Name of Lender	Purpose	Sanctioned Amount (In Lacs)	Rate of interest	Securities Offered	Re-Payment Schedule	Outstanding amount as on 31.12.2017 as per Books
Union Bank of India	Cash Credit	2050.00	10.30%	By Hypothecation of Books Debts & Stock	--	1692.54
Union Bank of India	Term Loan	7.00	11.80%	By Hypothecation of Vehicles	Repayment will be made in EMI	5.63
Union Bank of India	Term Loan	181.00	10.30%	By Hypothecation of Fixed Assets created out of Tem Loan including factory land and building	Installment From June-2015 to Sep-2019 = Rs. 13 Lacs, Oct 2019 to March 2020 = Rs. 13.50 lacs, March 2020 to March 2020 Rs. 13.50 Lacs	143.08
Union Bank of India	Term Loan	14.00	11.80%	By Hypothecation of Vehicle	Repayment will be made in EMI	11.69
Union Bank of India	Term Loan	36.00	10.30%	By Hypothecation of Plant & Machinery & Other Fixed Assets	to be Repaid in 48 Monthly Installments	24.97
Toyota Financial Services Private Limited	Vehicle Loan	25.00	8.29%	By Hypothecation of Vehicle	to be Repaid in 36 Monthly Installments	19.27
Toyota Financial Services Private Limited	Vehicle Loan	17.00	8.99%	By Hypothecation of Vehicle	to be Repaid in 36 Monthly Installments	11.78
Punjab National Bank WHR	Working Capital Loan	790.00	9.45%	Hypothecation of Stocks	-	1.14
HDFC Bank Limited	Vehicle Loan	21.00	9.40%	Hypothecation of Vehicle	to be Repaid in 36 Monthly Installments	15.20
HDFC Bank Limited	Vehicle Loan	25.00	8.00%	Hypothecation of Vehicle	to be Repaid in 48 Monthly Installments	23.21
HDFC Bank Limited	Vehicle Loan	24.97	7.90%	Hypothecation of Vehicle	to be Repaid in 48 Monthly Installments	24.07
Total		3190.97				1972.58

Terms and Conditions as per sanction letter:

1. Stock/Book Debt Statements to be submitted every month by the company along with data of sales/purchase and sundry creditor/debtors.
2. Book Debt older than 90 days will not rank for Drawing Power
3. Stock Audit of goods hypothecated to be bank will be conducted on yearly basis.

B. Unsecured Loans

Name of Lender	Purpose	Rate of interest	Re-Payment Schedule	Outstanding Amount as On (as per Books)
				31.12.2017
HDFC Bank Limited	Busines Loan	8.50%	144 Monthly Installment	172.87
HDFC Bank Limited	Busines Loan	8.31%	120 Monthly Installment	290.29
Mr. Vikas Gupta	Busines Loan	12.00%	on Demand	129.88
Mr. Satpal Gupta	Busines Loan	0.00%	on Demand	20.00
Smt. Shivani Gupta	Busines Loan	0.00%	on Demand	0.50
Mr. Vikas Goel	Busines Loan	12.00%	on Demand	2.32
Sub Total				615.86

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

You should read the following discussion of our financial condition and results of operations together with our restated financial statements included in the Prospectus. You should also read the section entitled "Risk Factors" beginning on page 16 and "Forward Looking Statements" beginning on page 14, which discusses a number of factors, risks and contingencies that could affect our financial condition and results of operations.

The following discussion of our financial condition and results of operations should be read in conjunction with our restated financial statements for the period ended December 31, 2017 and years ended March 31, 2017, 2016, 2015, 2014 and 2013 including the schedules and notes thereto and the reports thereto, which appear in the section titled "Financial Information of the Company" on Page No. 128 of the Prospectus. The financial statements presented and discussed herein have been prepared to comply in all material respects with the notified accounting standards by Companies (Accounting Standards) Rules, 2006 (as amended), the relevant provisions of the Companies Act and SEBI (Issue of Capital and Disclosure Requirements) Regulations. Our fiscal year ends on March 31 of each year. Accordingly, all references to a particular fiscal year/financial year are to the twelve-month period ended on March 31 of that year. The forward-looking statements contained in this discussion and analysis is subject to a variety of factors that could cause actual results to differ materially from those contemplated by such statements.

OVERVIEW

Incorporated in 2011, Our Company is engaged in the manufacturing of food based products such as wheat flour, organic wheat flour products and allied flour products. Basically, our company produce food products related to wheat i.e. Atta-wheat flour products, Maida-Fine wheat flour products, Suji/Rawa-Semolina, Chokar/Wheat Bran, Organic Atta, Organic whole Wheat flour and Organic wheat flour etc.

Our Company is an FSSC 22000 certified company for food safety systems including ISO 22000:2005, ISO 22002-1:2009 and additional FSSC 22000 requirements in respect of Processing (Pre Cleaning, Cleaning, milling, Sifting) of Wheat products like Atta, Maida, Suzi, Bran and its packaging in HDPE laminated bags and Poly Pouch bags by Intertek Certification Limited, United Kingdom. Our Company is having FSSAI license, Organic Certificate for in accordance with the requirements of India's National Programme for Organic Production Standards by the Ecocert India Pvt. Limited, HALAL certified by HALAL India Pvt. Ltd etc.

Our Company was originally incorporated on November 28, 2011 as "Megastar Foods Private Limited" vide Registration no. 033393/2011-2012 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Punjab and Chandigarh. Further, our Company was converted into Public Limited Company and consequently name of company was changed from "Megastar Foods Private Limited" to "Megastar Foods Limited" vide Special resolution passed by the Shareholders at the Extra-Ordinary General Meeting held on March 09, 2018 and a fresh certificate of incorporation dated March 16, 2018 issued by the Registrar of Companies, Chandigarh.

Megastar was originally promoted by Mr. Vikas Gupta, Mr. Satpal Gupta, Mrs. Shivani Gupta, Mr. Vikas Goel, Mr. Pankaj Goyal, Mr. Sanjay Verma, Mr. Aniket Verma and Mr. Abhishek Verma in the year 2011 and they are the initial subscribers of the company. Presently the promoters of Our Company are Mr. Vikas Goel and Mr. Vikas Gupta. Our Promoters Mr. Vikas Goel and Vikas Gupta is having vast experience in field of Wheat Flour Industry. They looks after overall management and operations of the said Company. Under their guidance of our Promoters, our Company has witnessed continuous growth.

Our Company is having state of the art modern machinery in our wheat processing plant in Punjab, India, with an installed capacity of 81000 MT per year. It has been our constant endeavour at all the levels to ensure processing of wheat with quality, undertaking testing and exploring new possibilities by our team of highly skilled people. It has been our hallmark in our organization to strictly follow the Good Manufacturing Practices (GMP), Good Laboratory Practices (GLP) to ensure the high standards of food safety, quality & hygiene. At present we are catering majorly to MNC's in India and also exporting some of our products to United Nations Organization, Europe, United States & Middle East.

Our company's main aim is to grow relationships with our customers that we can serve successfully by providing them a point of difference, adding value and ultimately, providing profitable growth for both parties. Our customers are supported by a highly skilled, enthusiastic, can-do culture team throughout the whole business. Our endeavour is to maintain an efficiently sound business in order to provide a secured future to our fellow employees while stressing on the continual improvement of our highly ranked products for a constantly enhanced customer satisfaction.

For the period ended December 31, 2017 our Company's Total Standalone Income and Restated Profit after Tax were Rs. 7836.75 Lacs and Rs. 87.07 Lacs, respectively. For the year ended March 31, 2017, our Company's Total Standalone Income and Restated Profit after Tax were Rs. 9776.25 Lacs and Rs. 105.86 Lacs, respectively compared to our Company's Total Standalone Income and Restated Profit after Tax was Rs. 7804.31 Lacs and Rs. 58.92 Lakhs respectively for the year ended March 31, 2016.

Certifications and Recognition: -

- Certificate of FSSC 22000 by Intertek Certification Limited, United Kingdom.
- Organic Certificate for products by the Ecocert India Pvt. Limited.
- HALAL India Certificate by HALAL India Pvt. Ltd.
- Licence under Food Safety and Standard Authority of India (FSSAI).

COMPETITIVE STRENGTHS

Our principal competitive strengths are:

Wide range of Products and hygienic

We provide a broad range of products to our customers that currently, we are providing such products like Atta-wheat flour products, Maida-Fine wheat flour products, Suji/Rawa-Semolina, Chokar/Wheat Bran, Organic Atta, Organic whole Wheat flour and Organic wheat flour etc. which increases the scope of our customers and our ability to cater to a diversified client base. Our products are untouched by hand, processed under completely hygienic conditions to maintain our trademark promise of purity.

Existing Client Base

Our Company has maintained long-standing relationship with our major customers such as Jubilant Foodworks Limited, Nestle India Limited, GSK (Glaxo Smithkline Consumer healthcare Limited), Pepsico India Holding Pvt. Ltd., UB (United Biscuits Pvt. Ltd.) and ITC Limited etc. 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. Further having been in this business through our promoters for the long period, we believe that existing relationships will help as a core competitive strength for us.

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 our suppliers. Our company enjoys existing relationship with our suppliers. Further we also leverage the past experience of our management in maintain effective supplier relationship.

Experienced Promoters and Management Expertise

Our Company is promoted by Mr. Vikas Goel and Mr. Vikas Gupta who individually have approximate 25 years and 15 years of experience respectively. Our Promoters and senior Key managerial person have experience in setting up business, developing markets, managing customers and handling overall businesses. Further, our board of directors are supported by a team of well experienced and qualified personnel. For further details regarding the educational qualifications and experience of our Board of Directors and our Key Managerial Personnel please refer to chapter titled "Our Management" beginning on page 108 of this Prospectus. We believe that our management team's experience and their understanding of FMCG industry will enable us to continue to take advantage of both current and future market opportunities. It is also expected to help us in addressing and mitigating various risks inherent in our business.

OUR STRATEGIES

The primary elements of our growth strategies are set forth below.

Quality Assurance

We will continue to maintain quality of our existing product portfolio to cater to various customer and price segments in the food processing market. We endeavor to maintain the quality of our products, and follow strict procedures to ensure quality control, timely delivery and competitive prices. The company intends to strengthen its product development effort by leveraging skills of its employees which will help to increase the sales of the Company and retain customers.

Improving operational efficiencies

Our Company intends to improve operating efficiencies to achieve cost reductions to have a competitive edge over the peers. We are addressing the increase in operational output through continuous process improvements, quality check and technology development. Our employees are regularly motivated to increase efficiency with error free exercise. We believe that this can be done through continuous process improvements. Further we believe that this can be done through domestic presence and economies of scale. Increasing our penetration in existing regions with new range of products, will enable us to penetrate into new catchment areas within these regions and optimize our infrastructure. As a result of these measures, our company will be able to increase its market share and profitability.

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 do this by leveraging our marketing skills and relationships and further enhancing customer satisfaction. We plan to increase our customers by meeting contracts in hand on time, maintaining our customer relationship and renewing our relationship with existing buyers.

Optimal Utilization of Resources

Our Company constantly endeavors to improve our technical process, and will increase manufacturing activities 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 our technical and manufacturing process which enables us to identify the areas of bottlenecks and correct the same. This will help us in improving efficiency and putting resources to optimal use.

To be a part of retail market with our own brand

Already, our company has been applied for Trade Mark and Word Mark to secure our products in the market. Out of them some are registered in the name of Megastar and some are objected. Our main aim is to be part of retail market with our own brand in the food processing industry.

OUR PRODUCTS

Sr. No	Description
1.	Atta-wheat flour products Whole Wheat Flour (Atta) or Chakki Fresh Atta, manufactured from best quality Wheat.
2.	Maida-Fine wheat flour products We manufacture high quality refined Wheat Flour suitable for Bakeries and Biscuit / cookies manufacturing. Our Products are used domestically.
3.	Suji/Rawa-Semolina We have high quality of Suji or Rava, which is produced from superfine flour as per clients need and requirements.
4.	Chokar/Wheat Bran Wheat Bran is used in wide assortments of quality products
5.	Organic Atta Finest quality of Organic Atta, which are organically produced to give a healthy and strong body.
6.	Organic whole Wheat flour & Wheat Flour Organic Whole Wheat Flour is 100% stone ground from certified organic.



OUR LOCATIONS: -

Registered Office	Plot No. 807, Industrial Area, Phase-II, Chandigarh-160102, India.
Manufacturing Unit/ Factory & Corporate Office	Kurali-Ropar Road, Village-Solkhian, Dist. Roopnagar - 140108, Punjab, India.
Warehouse	Ward No.16 (Old Ward No. 2), Anaj Mandi, Kurali, Punjab, India

Collaborations/ Tie – ups/ Joint Ventures:

As on date of the Prospectus, our Company does not have any Collaborations/Tie-ups/Joint Ventures.

Plant & Machinery:

We have our plant with well-developed infrastructure, is equipped with the modern imported food-processing machinery. We have installed sufficient plant and machinery in the manufacturing unit in the full capacity. The facility includes Buhler Moisture Meter (MYFC) to check the moisture during the production comprising of various Dry Destoner, L.P Fan (Cleaning), L.P Fan (Milling) Bran Finisher etc.

Capacity Utilization:

Our Company being in the manufacturing industry installed capacity and capacity utilization is applicable to us and which details are as mentioned in below table: -

Particulars	Existing (Mt)			Proposed (Mt)		
	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Installed Capacity	67000	81000	81000	85500	85500	85500
Percentage in Utilization	54.03%	51.15%	57.18%	70.18%	77.19%	84.91%

Export obligation:

Our Company does not have any export obligation as on date of this Prospectus.

Utilities and Infrastructure Facilities: -

Raw Material- The raw material used in the manufacture of Products is wheat only and which are procured from suppliers available both locally from mandies and from Food Corporation of India to meet our requirements.

Power – We require power supply to manufacturing our products and to meet our requirement we have a dedicated 11 KV connection under LS category (Industrial Feeder Category-II) installed for regular power supply. Besides we have a DG Set to cover any exigency.

Water – Water is required for human consumption and adequate water sources are available. The requirements are fully met at the existing premise.

Utilities – Our Office is well equipped with computer systems, internet, connectivity, other communication equipment, security and other facilities, which are required for smooth functioning of our business activity.

HUMAN RESOURCES: -

We believe that a motivated and empowered employee base is the key to our operations and business strategy. We have developed a large pool of skilled and experienced personnel. Currently, we have 62 employees including Key Managerial Personal as on December 31, 2017, and planning to increase the number of employees which details are as below:

Category	No. of Employees
Administrative Staff	14
Skilled Workers	6
Semi-Skilled Workers	31
Unskilled Workers	11
Total	62

Our manpower is a prudent mix of the experienced and young people which gives us the dual advantage of stability and growth, whereas execution of services within time and quality. Our skilled resources together with our strong management team have enabled us to successfully implement our growth plans.

SALES AND MARKETING: -

We have developed a marketing network and majority of the sales to Corporates/MNC's viz. Jubilant Foodworks Limited, Nestle India Limited, GSK (Glaxo Smithkline Consumer healthcare Limited), Pepsico India Holding Pvt. Ltd., UB (United Biscuits Pvt. Ltd.) and ITC Limited etc. Our marketing team is led by our Promoter and Directors Mr. Vikas Goel and Mr. Vikas Gupta who are responsible for the overall marketing strategies. Our success lies in the strength of our relationship with our customers who have been associated with us for a long period. Our promoters Mr. Vikas Goel and Mr. Vikas Gupta, through their vast experience and good rapport with customers plays an instrumental role in quality execution and completion of orders on timely basis.

Marketing Strategy:

We intend to focus on following marketing strategies:

1. Focus on requirement of Customers
2. Continuous upgradation of Quality of Products.

COMPETITION: -

We believe that the principal competitive factors include product quality, reliability, and price that are able to comprehensively address varying requirements of different customer segments and specific customer needs. We believe that our ability to compete effectively is primarily dependent on ensuring consistent product quality and timely delivery at competitive prices, thereby strengthening our brand over the years. We believe that our cost effective and integrated offerings, our focus on customer satisfaction and our reliability combined with our quality consciousness provides us with competitive advantage in our business. Some of our major competitors are:

- DFM Foods Limited

INSURANCE: -

We maintain a range of insurance policies to cover our assets, risks and liabilities. Substantially our insurance policies Related to the stock, Fire, Earth Quake and Machinery Break Down. We constantly evaluate the risks in an effort to be sufficiently covered for all known risks. We believe that the amount of insurance coverage presently maintained by us represents an appropriate level of coverage required to insure our business and operations and is in accordance with the industry standard in India. We believe that the amount of insurance coverage presently maintained by us represents an appropriate level of coverage required to insure our business and is in accordance with the industry standard in India.

SIGNIFICANT DEVELOPMENT SUBSEQUENT TO THE LAST FINANCIAL YEAR: -

In the opinion of the Board of Directors of our Company, there have not arisen any circumstances since the date of the last financial statements disclosed in this Prospectus that materially or adversely affect the operations or profitability of the Company or the Value of its assets or its ability to pay its liability within next twelve months except below changes occurred after Balance Sheet date: -

1. Our Company has constituted an Audit Committee ("Audit Committee"), Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility (CSR) Committee vide Board Resolution dated

April 04, 2018, as per the applicable provisions of the Section 177 of the Companies Act, 2013 with other applicable sections and also to comply with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 applicable upon listing of the Company's Equity shares on SME platform of BSE ("BSE SME").

2. Our company was converted from Private Limited to Public Limited in Extra-Ordinary General Meeting held on March 09, 2018.
3. Our Company has issued Bonus Shares in ratio of 21:100 in Extra-Ordinary General Meeting held on March 09, 2018.
4. We have re-designated Mr. Vikas Gupta and Mr. Mudit Goyal as Whole-Time Directors of the Company with effect from April 04, 2018.
5. We have appointed Mr. Vijay Sharma & Ms. Neharika Sodhi as Chief Financial Officer and Company Secretary respectively of the Company with effect from March 31, 2018 and November 27, 2017.
6. We have approved and taken into the record the proposed issue of equity shares of the Company on the meeting of the Board Meeting dated March 31, 2018 and Shareholders dated April 04, 2018.
7. We have appointed Non-Executive Independent Director Mr. Amit Mittal, Mr. Prabhat Kumar and Mrs. Savita Bansal in Extra-Ordinary General Meeting held on April 04, 2018.
8. We have re-appointed Mr. Vikas Goel as Chairman cum Managing Director in Extra-Ordinary General meeting held on April 04, 2018.

FACTORS AFFECTING OUR FUTURE RESULTS OF OPERATIONS: -

Our results of operations could potentially be affected by the following factors amongst others:

1. General economic and business conditions in India;
2. Company's ability to successfully implement its growth strategy and expansion plans, and to successfully launch;
3. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
4. Our failure to keep pace with rapid changes in technology;
5. Changes in laws and regulations relating to the sectors/areas in which we operate;
6. Our ability to effectively manage a variety of business, legal, regulatory, economic, social and political risks associated with our operations;
7. Increased competition in FMCG Industry;
8. Factors affecting FMCG sector;
9. Foreign Exchange Fluctuations;
10. Higher interest outgo on our loans;
11. Our ability to successfully implement our growth strategy and expansion plans;
12. Any adverse outcome in the legal proceedings in which we are involved;
13. Our ability to meet our capital expenditure & working capital expenditure requirements;
14. Our ability to attract and retain qualified personnel;
15. Conflict of Interest with affiliated companies, the promoter group and other related parties; and
16. General economic and business conditions in the markets in which we operate and in the local, regional, National and international economies;
17. Changes in political and social conditions in India, the monetary and interest rate policies of India and other countries;
18. Changes in government policies and regulatory actions that apply to or affect our business;
19. Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
20. The performance of the financial markets in India and globally;
21. The occurrence of natural disasters or calamities;
22. Other factors beyond our control;
23. Our ability to manage risks that arise from these factors.

Our Significant Accounting Policies:

Our significant accounting policies are described in the section entitled “Financial Information of the Company” on page 128 of this Prospectus.

Change in accounting policies in previous 5 (five) years

Except as mentioned in chapter “Financial Information of the Company” on page no. 128, there has been no change in accounting policies in last 5 (five) years.

Summary of the Results of Operations

The following table sets forth financial data from restated profit and loss account for the period ended December 31st, 2017 and financial Year ended on March 31, 2017, 2016, 2015, & 2014 the components of which are also expressed as a percentage of total income for such periods.

Particulars (For the Year ended)	31 st Decemb er, 2017	% of Total Income	31st March 2017	% of Total Income	31st March 2016	% of Total Income	31st March 2015	% of Total Income	31st March 2014	% of Total Income
Revenue from Operations	7,812.08	99.69	9,768.59	99.92	7781.25	99.70	4447.65	99.94	784.03	99.83
Other Income	24.67	0.31	7.66	0.08	23.06	0.30	2.51	0.06	1.33	0.17
Total Income	7,836.75	100.00	9,776.25	100.00	7,804.31	100.00	4,450.16	100.00	785.36	100.00
Cost of Raw Material Consumed	6,405.76	81.74	8,604.68	88.02	6824.64	87.45	3979.01	89.41	758.32	96.56
Changes in Inventories of Finished Goods, WIP & Stock in trade	(46.93)	-0.60	8.20	0.08	21.31	0.27	-21.82	-0.49	-66.59	-8.48
Purchase of Stock in Trade	528.77	--	--	--	--	--	--	--	--	--
Employee Benefits Expenses	171.17	2.18	179.96	1.84	108.11	1.39	48.46	1.09	7.35	0.94
Finance Costs	205.62	2.62	232.30	2.38	198.63	2.55	126.04	2.83	33.85	4.31
Depreciation And Amortization Expense	63.11	0.81	71.75	0.73	60.66	0.78	51.00	1.15	16.75	2.13
Other Exp	403.35	5.15	549.53	5.62	514.06	6.59	242.85	5.46	35.81	4.56
Total Expenses	7,730.85	98.65	9,646.42	98.67	7,727.41	99.01	4,425.54	99.45	785.49	100.02
Profit before exceptional and extraordinary items and tax	105.90	1.35	129.83	1.33	76.90	0.99	24.63	0.55	(0.13)	-0.02
Exceptional/Prior Period item	--	--	--	--	--	--	--	--	--	--
Profit before extraordinary items and tax	105.90	1.35	129.83	1.33	76.90	0.99	24.63	0.55	(0.13)	-0.02
Extraordinary item	--	--	--	--	--	--	--	--	--	--
Profit Before Tax	105.90	1.35	129.83	1.33	76.90	0.99	24.63	0.55	(0.13)	-0.02

- Current Tax	21.23	0.27	26.17	0.27	15.29	0.20	4.61	0.10	0.08	0.01
- Deferred Tax Liability / (Asset)	9.79	0.12	23.97	0.25	17.98	0.23	52.74	1.19	-0.02	0.00
MAT Reverse	(12.19)	-0.16	(26.17)	-0.27	-15.29	-0.20	-4.57	-0.10	-0.08	-0.01
Restated profit after tax for the period from continuing operations	87.07	1.11	105.86	1.08	58.92	0.75	(28.15)	-0.63	(0.11)	-0.01

Key Components of Company's Profit And Loss Statement

Revenue from Sale of Product: Revenue from operations mainly consists from Sales of Products

Other Income: Other income primarily comprises of Interest Income, Rental Income & Foreign Exchange Gains & Duty Drawback.

Expenses: Company's expenses consist of Cost of Raw material consumed, change in inventories of finished goods, WIP & stock in trade, Purchase of Traded Goods, employee benefit expenses, administration & Other Expenses, finance costs, depreciation and amortization expenses.

Employee Benefits Expense: Employee benefit expense includes Salaries and Wages and Staff Welfare Expenses, Contribution to PF, Bonus to Employees and Gratuity Expenses.

Finance Costs: Finance cost comprises interest on Indebtedness, Bank charges.

Depreciation and Amortization Expense: We recognize Depreciation and Amortization expense on a SLM Basis as per the rates set forth in the Companies Act, 2013/ Companies Act, 1956, as applicable.

Administration & Other Expenses: Other expenses includes freight charges, Discount Allowed., Electricity & Water Expenses & Truck Running & Maintenance Expenses etc.

Financial Performance Highlights for the period ended 31st December, 2017

Total Income:

The company's total income during the stub period ended on 31st December, 2017 was Rs. 7836.75 Lakhs. The revenue from Sale of products was Rs. 7812.08 Lakhs which comprised 99.69% of company's total income for the stub period ended on 31st December, 2017.

Total Expenses:

The total expenditure during the stub period ended on 31st December, 2017 was Rs. 7730.85 Lakhs. The total expenditure represents 98.65% of the total revenue. The total expenses are represented by Cost of Raw material consumed, change in inventories of finished goods, WIP & stock in trade, Purchase of Stock in Trade, employee benefit expenses, administration & Other Expenses, finance costs, depreciation and amortization expenses. The main constituent of total expenditure is Cost of material consumed of Rs. 6405.76 Lakhs.

Profit/ (Loss) after tax:

The restated net profit during the stub period ended on 31st December, 2017 was Rs. 87.07 Lacs representing 1.11% of the total revenue of the Company.

COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2017 WITH FISCAL 2016

Total Income:

During the year 2016-17 the total revenue of the company increased to Rs. 9776.25 Lakhs as against Rs. 7804.31 Lakhs in the year 2015-16, representing an increase of 25.27 % of the total revenue. This increase was mainly due to increase in sales of products.

Other Income:

Other income of the Company for the year 2016-17 was Rs. 7.66 Lakhs in comparison with 23.06 Lakhs for F.Y. 2015-16.

Total Expenses:

The total expenditure for the year 2016-17 increased to Rs. 9646.42 Lakhs from Rs. 7727.41 Lakhs in year 2015-16, representing an increase of 24.83% to the previous year.

Cost of Raw Material Consumed:

The Cost of material consumed comprises of Cost of Raw Material consumed. The said expenses increased to Rs. 8604.68 Lakhs during the F.Y. 2016-17 from Rs. 6824.64 Lakhs in the previous year 2015-16.

Changes in Inventories:

Changes in inventories comprises of changes in inventory of finished goods, Work in Progress & stock in trade. The said expenses decreases to Rs. 8.20 Lakhs during the F.Y. 2016-17 as against Rs. 21.31 Lakhs in the previous year 2015-16.

Employee Benefits Expense:

The Employee Benefit Expense comprises of salaries and wages and staff welfare expenses. The said expenses increased to Rs 179.96 Lakhs during the F.Y. 2016-17 from Rs. 108.11 Lakhs in the previous year 2015-16.

Finance Costs:

Finance cost for the year 2016-17 increased to Rs. 232.30 Lakhs as against Rs. 198.63 Lakhs of the year 2015-16.

Depreciation and Amortization Expense:

Depreciation for the year 2016-17 stood at Rs. 71.75 Lakhs calculated at SLM method as per companies Act. For the year 2015-16 the same was Rs. 60.66 Lakhs.

Administrative and other Expenses:

Administrative and Other expenses includes freight charges, Discount Allowed., Electricity & Water Expenses & Truck Running & Maintenance Expenses etc. These expenses increased to Rs. 549.53 Lakhs for the year 2016-17 as against Rs. 514.06 Lakhs of the year 2015-16.

Profit/ (Loss) Before Tax

The company's profit before tax for F.Y. 2016-17 was Rs 129.83 Lakhs as against Rs. 76.90 Lakhs in the year 2015-16 representing an increase of 68.83% to the previous year.

Profit/ (Loss) After Tax

For the year 2016-17 the profit stood at Rs. 105.86 Lakhs as against the profit of Rs. 58.92 Lakhs for the year 2015-16, representing an increase of 79.67% to the previous year. This increase in profit after tax is happened due to increased turnover.

COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2016 WITH FISCAL 2015

Total Income:

During the year 2015-16 the total revenue of the company increased to Rs. 7804.31 Lakhs as against Rs. 4450.16 Lakhs in the year 2014-15, representing an increase of 75.37% of the total revenue. This increase was mainly due to increase in sales of products.

Other Income:

Other income of the Company for the year 2015-16 was Rs. 23.06 Lakhs in comparison with 2.51 Lakhs for F.Y. 2014-15.

Total Expenses:

The total expenditure for the year 2015-16 increased to Rs. 7727.41 Lakhs from Rs. 4425.54 Lakhs in year 2014-15, representing an increase of 74.61% to the previous year.

Cost of Raw Material Consumed:

The Cost of material consumed comprises of Cost of Raw Material consumed. The said expenses increased to Rs. 6824.64 Lakhs during the F.Y. 2015-16 from Rs. 3979.01 Lakhs in the previous year 2014-15.

Changes in Inventories:

Changes in inventories comprises of changes in inventory of finished goods, Work in Progress & stock in trade. The said expenses increases to Rs. 21.31 Lakhs during the F.Y. 2015-16 as against Rs. (21.82) Lakhs in the previous year 2014-15.

Employee Benefits Expense:

The Employee Benefit Expense comprises of salaries and wages and staff welfare expenses. The said expenses increased to Rs 108.11 Lakhs during the F.Y. 2015-16 from Rs. 48.46 Lakhs in the previous year 2014-15.

Finance Costs:

Finance cost for the year 2015-16 increased to Rs. 198.63 Lakhs as against Rs. 126.04 Lakhs of the year 2014-15.

Depreciation and Amortization Expense:

Depreciation for the year 2015-16 stood at Rs. 60.66 Lakhs calculated at SLM method as per companies Act. For the year 2014-15 the same was Rs. 51.00 Lakhs.

Administrative and other Expenses:

Administrative and Other expenses includes freight charges, Discount Allowed., Electricity & Water Expenses & Truck Running & Maintenance Expenses etc.. These expenses increased to Rs. 514.06 Lakhs for the year 2015-16 as against Rs. 242.85 Lakhs of the year 2014-15.

Profit/ (Loss) Before Tax

The company's profit before tax for F.Y. 2015-16 was Rs 76.90 Lakhs as against Rs. 24.63 Lakhs in the year 2014-15 representing an increase of 212.22% to the previous year.

Profit/ (Loss) After Tax

For the year 2015-16 the profit stood at Rs. 58.92 Lakhs as against the profit of Rs. (28.15) Lakhs for the year 2014-15, representing an increase of 309.31% to the previous year. This increase in profit after tax is happened due to increased turnover.

COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2015 WITH FISCAL 2014

Total Income:

During the year 2014-15 the total revenue of the company increased to Rs. 4450.16 Lakhs as against Rs. 785.36 Lakhs in the year 2013-14, representing an increase of 466.64 % of the total revenue. This increase was mainly due to increase in sales of products.

Other Income:

Other income of the Company for the year 2014-15 was Rs. 2.51 Lakhs in comparison with 1.33 Lakhs for F.Y. 2013-14.

Total Expenses:

The total expenditure for the year 2014-15 increased to Rs. 4425.54 Lakhs from Rs. 785.49 Lakhs in year 2013-14, representing an increase of 463.41% to the previous year.

Cost of Raw Material Consumed:

The Cost of material consumed comprises of Cost of Raw Material consumed. The said expenses increased to Rs. 3979.01 Lakhs during the F.Y. 2014-15 from Rs. 758.32 Lakhs in the previous year 2013-14.

Changes in Inventories:

Changes in inventories comprises of changes in inventory of finished goods, Work in Progress & stock in trade. The said expenses increased to Rs. (21.82) Lakhs during the F.Y. 2014-15 as against Rs. (66.59) Lakhs in the previous year 2013-14.

Employee Benefits Expense:

The Employee Benefit Expense comprises of salaries and wages and staff welfare expenses. The said expenses increased to Rs 48.46 Lakhs during the F.Y. 2014-15 from Rs. 7.35 Lakhs in the previous year 2013-14.

Finance Costs:

Finance cost for the year 2014-15 increased to Rs. 126.04 Lakhs as against Rs. 33.85 Lakhs of the year 2013-14.

Depreciation and Amortization Expense:

Depreciation for the year 2014-15 stood at Rs. 51.00 Lakhs calculated at SLM method as per companies Act. For the year 2013-14 the same was Rs. 16.75 Lakhs.

Administrative and other Expenses:

Administrative and Other expenses includes freight charges, Discount Allowed., Electricity & Water Expenses & Truck Running & Maintenance Expenses etc. These expenses increased to Rs. 242.85 Lakhs for the year 2014-15 as against Rs. 35.81 Lakhs of the year 2013-14.

Profit/ (Loss) Before Tax

The company's profit before tax for F.Y. 2014-15 was Rs 24.63 Lakhs as against Rs. (0.13) Lakhs in the year 2013-14.

Profit/ (Loss) After Tax

For the year 2014-15 the profit stood at Rs. (28.15) Lakhs as against the loss of Rs. (0.11) Lakhs for the year 2013-14, This decrease in profit after tax is happened due to increased tax Expenses.

Information required as per Item (2) (IX) (E) (5) of Part A of Schedule VIII to the SEBI Regulations:

An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:

1. Unusual or infrequent events or transactions

There has not been any unusual trend on account of our business activity. There are no Unusual or infrequent events or transactions in our Company. The transactions are as per usual business operations.

2. Significant economic changes that materially affected or are likely to affect income from continuing operations.

Except for any change in economic policy affecting the manufacturing industry in India, there are no other significant economic changes that may materially affect or 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 sales, revenue or income from continuing operations.

Apart from the risks as disclosed under Section “Risk Factors” beginning on page 16 in the Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

4. Future changes in relationship between costs and revenues

Our Company’s future costs and revenues will be determined by growth of manufacturing industry.

5. Increases in net sales or revenue and Introduction of new products or services or increased sales prices

Increases in revenues are by and large linked to increases in volume of our business.

6. Status of any publicly announced New Products or Business Segment

Since our Company has not announced any new Product.

7. Seasonality of business

Our Company’s business is seasonal in nature.

8. Dependence on few customers/ clients

The percentage of contribution of our Company’s Top Customers/Clients for the year ended December 31, 2017 is as follows:

Our Major Customers/ Clients for the year ended December 31, 2017

Name of the Clients	Amount (₹ in Lacs)	As % of total turnover
Nestle India Limited	1355.34	17.35
United Biscuits Pvt. Ltd	1160.24	14.85
Jubilant Food Works Limited (Mohali)	736.78	9.43
Glaxo Smithkline Consumer Healthcare Ltd.	678.22	8.68
ITC Limited	231.54	2.96
Chanakya Bakery Products Pvt. Ltd.	159.23	2.04
Markfed Vanaspati & Allied Industries (Jld)	137.65	1.76
Consumer Mart	123.48	1.58
Gosia Multipurpose	121.42	1.55
Arora Dairy	113.53	1.45
Total	4817.46	61.67

**The above value is inclusive of all applicable taxes and incidental expenses.*

Our Major Suppliers for the year ended December 31, 2017

Name of the Suppliers	Amount (₹ in Lacs)	As % of total Purchases
FCI-Punjab	1289.05	16.35
Amar Roller Flour Mills	275.94	3.50
Shree Krishna Trading Company	233.49	2.96
Ashok Kumar & Company	231.61	2.94
Shri Dhar Rice & Oil Mill	218.26	2.77
Gill Brothers	199.17	2.53
Shree Radhika Enterprises	198.69	2.52
Shree Shyam Enterprises	181.46	2.30
M/s Tikeshwar Baba Trading Company	180.71	2.29
Sham Lal Vijay Kumar	173.40	2.20
Total	3181.81	40.36

**The above value is inclusive of all applicable taxes and incidental expenses.*

9. Competitive conditions

Competitive conditions are as described under the Chapters “Industry Overview” and “Our Business” beginning on pages 80 and 88, respectively of the Prospectus.

10. Details of material developments after the date of last balance sheet i.e. December 31, 2017

Except as disclosed in this Prospectus, no circumstances have arisen since the date of last financial statement until the date of filing the Prospectus, which materially and adversely affect or are likely to affect the operations or profitability of our Company, or value of its assets, or its ability to pay its liability within next twelve months. There is no subsequent development after the date of the Auditor’s Report, which will have a material impact on the reserves, profits, earnings per share and book value of the Equity Shares of the Company.

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPEMENT

Except as described below, there are no outstanding litigations, suits, civil or criminal prosecutions, proceedings before any judicial, quasi-judicial, arbitral or administrative tribunals, including pending proceedings for violation of statutory regulations or alleging criminal or economic offences or tax liabilities or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (i) of Part I of Schedule XIII of the Companies Act) against our Company, Promoter, Group Companies and Directors as of the date of this Prospectus that would have a material adverse effect on our business. There are no defaults, non-payments or overdue of statutory liabilities, institutional/ bank dues and dues payable to holders of debentures or fixed deposits and arrears of cumulative preference shares that would have a material adverse effect on our business.

Further, Our Company has a policy for identification of Material Litigation in terms of the SEBI (ICDR) Regulations, 2009 as amended for disclosure of all pending litigation involving our Company, holding, Directors, Promoters and Group Companies, other than criminal proceedings and statutory or regulatory actions, would be considered 'material' if the monetary amount of claim by or against the entity or person in any such pending proceeding is in excess of Rs. 1,00,000/- and where the amount is not quantifiable, such pending cases are material from the perspective of the company's business, operations, prospects or reputation.

The Company has policy for identification of material outstanding dues to creditors in terms of the SEBI (ICDR) Regulations, 2009 as amended for creditors where outstanding dues to any one of them exceeds Rs. 1,00,000/-.

PART 1: CONTINGENT LIABILITIES OF OUR COMPANY

Particulars	Amount (in Lacs)
Bank Guarantee/ LC Discounting	1.57
Total	1.57

PART 2: LITIGATION RELATING TO OUR COMPANY

A. FILED AGAINST OUR COMPANY

1) Litigation involving Criminal Laws

NIL

2) Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3) Litigation involving Tax Liability

i. Direct Tax

NIL

ii. Indirect Tax

NIL

4) Other Pending Litigation

Our company is involved in Trade Mark litigation which has been filed by M/s Shree Krishna Roller Flour Mills in the Patiala House Courts, New Delhi related to use of trademark K-Golden Chokar which is registered in the name of Megastar Foods Private Limited. The case is pending under Additional District Judge, Patiala House Courts, New Delhi.

B. CASES FILED BY OUR COMPANY

1) Litigation involving Criminal Laws

NIL

2) Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3) Litigation involving Tax Liability

Direct Tax

NIL

Indirect Tax

4) Other Pending Litigation

- a) Our Company has filed suit for Recovery of Rs. 4,79,746/- along with interest of 18% p.a. till its realization against Ashish Trader proprietor yash pal sethi and yash pal sethi. Also our Company has served legal notice on October 16, 2017 since then the cause of action are continuing. The Case is pending with civil judge, Chandigarh.
- b) Our Company has filed suit for Recovery of Rs. 1,06,400/- along with interest of 18% p.a. till its realization against Oxford Traders and Amit Proprietor Oxford Traders. Also our Company has served legal notice on October 16, 2017 since then the cause of action are continuing. The Case is pending with civil judge, Chandigarh.
- c) Our Company has filed a complaint under Section 138 read with section 141 of the Negotiable Instruments Act against Shiv Shakti Bhog Enterprises, Pankaj Kumar (partner M/s Shiv Shakti Bhog Enterprises), Naryan Sewak (partner M/s Shiv Shakti Bhog Enterprises) and Rachit Bansal (Partner M/s Narayan Sewak Flour Mills) for dishonor of cheque amounting Rs. 2,58,192/-issued by above parties. The case is pending with Chief Judicial Magistrate, Chandigarh.
- d) Our Company has filed a complaint under Section 138 read with section 141 of the Negotiable Instruments Act against UI Agro Enterprises (P) Limited and Mr. Rajender Pal Singh (Managing Director, UI Agro Enterprises (P) Limited) for dishonor of cheque amounting Rs. 2,50,000/-issued by above party. The case is pending with Chief Judicial Magistrate, Chandigarh.
- e) Our Company has filed a complaint under Section 138 read with section 141 of the Negotiable Instruments Act against Shivam Agency and Gerish Kumar (Proprietor Shivam Agency) for dishonor of cheque amounting Rs. 1,10,350/- issued by above party. The case is pending with Chief Judicial Magistrate, Chandigarh.
- f) Our Company has filed complaint under the Permanent Lok Adalat, Public Utility Services Authorities Act against Axis Bank Limited for returning dishonored cheque amount Rs. 4,81,250/- which was issued by one of the business associate M/s Dunn Foods Pvt. Ltd. for discharging its legal obligation towards our Company. The Bank has returned the dishonored cheque to M/s Dunn Foods Pvt. Ltd. instead to our Company. The case is pending with Chief Judicial Magistrate, Chandigarh.
- g) Our company has filed writ petition on Food Corporation of India (FCI) in High Court of Punjab and Haryana at Chandigarh for charging higher rate of Value added Tax (VAT) on Purchase of Wheat despite of notification issued by state of Punjab for rate of VAT on wheat the FCI was charging higher rate of VAT. The amount involved in the petition which is required to be refunded is Rs. 1,13,44,290. The petition is pending for further action.

- h) Our Company has filed a case for imposing penalty of Rs. 157140/- for importing the material through dealers by Deputy Excise and Taxation Commissioner, Patiala Division, Punjab. The case is pending for further action.

PART 3: LITIGATION RELATING TO OUR DIRECTORS AND PROMOTERS OF THE COMPANY

A. LITIGATION AGAINST OUR DIRECTORS AND PROMOTERS

1) Litigation involving Criminal Laws

NIL

2) Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3) Litigation involving Tax Liability

4) Other Pending Litigation

NIL

B. LITIGATION FILED BY OUR DIRECTORS AND PROMOTERS

1) Litigation involving Criminal Laws

NIL

2) Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3) Litigation involving Tax Liability

NIL

4) Other Pending Litigation

NIL

PART 4: LITIGATION RELATING TO OUR GROUP COMPANIES / PROMOTER GROUP COMPANIES

A. LITIGATION AGAINST OUR GROUP COMPANIES / PROMOTER GROUP COMPANIES

1) Litigation involving Criminal Laws

NIL

2) Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3) Litigation involving Tax Liability

Direct Tax - NIL

Indirect Tax - NIL

4) Other Pending Litigation

NIL

B. LITIGATION FILED BY OUR GROUP COMPANIES / PROMOTER GROUP COMPANIES

1) Litigation involving Criminal Laws

NIL

2) Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3) Litigation involving Tax Liability

Direct Tax – NIL

Indirect Tax - NIL

4) Other Pending Litigation

NIL

PART 5: AMOUNTS OWED TO SMALL SCALE UNDERTAKINGS AND OTHER CREDITORS

There are no disputes with such entities in relation to payments to be made to our Creditors. The details pertaining to amounts due towards such creditors are available on the website of our Company.

Below are the details of the Creditors where outstanding amount as on December 31, 2017: -

Name	Balance as on 31.12.2017 (in Lacs)
Total Outstanding dues to Micro and Small & Medium Enterprises	--
Total Outstanding dues to Creditors other than Micro and Small & Medium Enterprises	149.48

PART 6: MATERIAL DEVELOPMENTS OCCURRING AFTER LAST BALANCE SHEET DATE

Except as disclosed in Chapter titled “Management’s Discussion & Analysis of Financial Conditions & Results of Operations” beginning on page 159 there have been no material developments that have occurred after the Last Balance Sheet Date.

GOVERNMENT AND OTHER APPROVALS

We have received the necessary consents, licenses, permissions and approvals from the Government and various governmental agencies required for our present business (as applicable on date of this Prospectus) and except as mentioned below, no further approvals are required for carrying on our present business.

In view of the approvals listed below, we can undertake this issue and our current/proposed business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to be undertaken in respect of the issue or to continue our business activities. It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Prospectus.

The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to carry out its activities. The following are the details of licenses, permissions and approvals obtained by the Company under various Central and State Laws for carrying out its business:

The Company has got following licenses/registrations/approvals/consents/permissions from the Government and various other Government agencies required for its present business.

APPROVALS FOR THE ISSUE

S. No.	Name of Approvals
1.	Our Company has received in- principle approval from the SME Platform of BSE dated May 04, 2018 for using the name of the Exchange in its offer document for listing of Equity Shares on SME Platform.
2.	Our Board of Directors have, pursuant to a resolution passed at its meeting held on March 31, 2018 authorized the Fresh Issue of Equity shares subject to the approval of the shareholders of our Company and such other authorities as may be necessary.
3.	The Fresh Issue of Equity Shares has been authorized by a special resolution adopted at the Extra-Ordinary General Meeting of shareholders held on April 04, 2018.

APPROVALS/LICENSES/PERMISSIONS PROCURED TO CONDUCT OUR BUSINESS

A. Incorporation related Approvals:

S.No.	Nature of Registration/ License	Registration/License No.	Applicable Laws	Issuing Authority	Date of issue	Date of Expiry
1.	Certificate of Incorporation as 'Megastar Foods Private Limited'	2011-2012	Companies Act, 1956	Registrar of Companies, Punjab & Chandigarh	November 28, 2011	Valid till cancelled
2.	Certificate of Incorporation as 'Megastar Foods Private Limited' due to alteration in the Object Clause of Memorandum of Association	U15311CH2011PTC 033393	Companies Act, 2013	Registrar of Companies, Chandigarh	March 12, 2018	Valid till cancelled
3.	Fresh Certificate of Incorporation as 'Megastar Foods Limited'	U15311CH2011PLC 033393	Companies Act, 2013	Registrar of Companies, Chandigarh	March 16, 2018	Valid till cancelled

B. Taxation Related Approvals:

S.No	Nature of Registration/ License	Registration/License No.	Applicable Laws	Issuing Authority	Date of Expiry
1.	Permanent Account Number	AAHCM9649M	Income Tax Act,	Commissioner of	Valid till

	(PAN)		1961	Income Tax	cancelled
2.	TAN (Tax Deduction Account Number)	PTLM14582B	Income Tax Act 1961	Income Tax Department	Valid till cancelled
3.	Service Tax Registration	AAHCM9649MSD 004	The Finance Act, 1994	Central Board of Excise & Custom.	Valid till cancelled
4.	Registration under goods & Service Tax (GST) for State of Chandigarh.	03AAHCM9649M 1ZV	The Goods & Service Tax Act, 2017	Central Board of Excise & Custom.	Valid till Cancelled
5.	Value Added Tax (VAT)	03842105752	Punjab Vat Act, 2005	Department of Trade and Taxes, Government of Punjab	Valid till Cancelled

C. Industrial Labour Related and other Approvals:

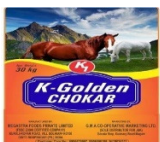

S. No	Nature of Registration/ License	Registration/ License No.	Applicable Laws	Issuing Authority	Date of Expiry
1.	Registration under Employees' Provident Funds (EPF)	PBCHD10011 04000	Employee's Provident Funds & Miscellaneous Provisions Act, 1952	Assistant/ Regional Provident Fund Commissioner,	Valid till cancelled
2.	Registration under Employee State Insurance (ESI)	PB/Misc/CIF/2 016/Co-ord.(3-A)/129	ESI Act, 1948	Assistant/ Regional Employee State Insurance, Add. Director,	Exempted
3.	Registration under Ministry of Micro, Small and Medium Enterprises: Punjab	PB18C000005 2	The Micro, Small and Medium Enterprises Development Act, 2006	Ministry of Micro, Small and Medium Enterprises	Valid till cancelled
4.	Factory License	SAS0FL3120	The Factories Act, 1948	Chief Inspector of Factories under Department of Labour, Punjab.	December 31, 2022
5.	Consent to Operate an outlet u/s 25/26 of Water	RO/MOH/WP C/F-258	Water (Prevention & Control of Pollution) Act, 1974	Punjab Pollution Control Board, Regional Office-Mohali	December 31, 2023
6.	Consent to Operate an outlet u/s 21 of Air	RO/MOH/AP C/F-408	Air (Prevention & Control of Pollution) Act, 1981	Punjab Pollution Control Board, Regional Office-Mohali	December 31, 2023
7.	FSSAI License	121137210004 32	FSS Act, 2006	Designated Partner (Food) under Food Safety and Standards Authority of India	August 28, 2018


D. Miscellaneous Approval/ Licenses/Registration: -

S.No.	Nature of Registration/ License	Registration/License No.	Issuing Authority	Registration Expiry Date
1.	Importer-Exporter Code	IEC No. 2212003234	Office of JT. Director General of Foreign Trade, Chandigarh under Ministry of Commerce and Industry, New Delhi	Valid till cancelled

2.	FSSC 22000 certification scheme for food safety systems including ISO 22000:2005, ISO 22002-1:2009	09161705001	Intertek Certification Limited, United Kingdom	June 21, 2020
3.	Halal Certificate	HIP26361217	Halal India Pvt. Ltd	December 26, 2018
4.	APEDA Registration	APEDA/REGN/IMP /169759	Agricultural and Processed Food Products Export Development Authority under Ministry of Commerce and Industry, GOI	August 28, 2018
5.	Scope Certificate for Organic Production Standards	ORG/SC/1801/000154	ECOCERT India Private Limited	January 29, 2019
6.	Fire Safety License	1064	Sub Fire Officer, Fire Station, Roopnagar	May 18, 2018
7.	Weight Scales (Electronic)	294051	By Inspector (Weight & Measures) under Legal Metrology Act, 2009, Roopnagar	December 26, 2018
8.	Weight Scale Kanta	290659	Legal Metrology Act, 2009	July 07, 2018
9.	Market Committee, Ropar	923 R.P.R	Under rule 17(7) of clause 10, Market Committee, Roopnagar	March 31, 2023
10	Market Committee, Kurali	803 K.R.I./S.A.M.B.	Under rule 17(7) of clause 10, Market Committee under Punjab State Agriculture Marketing Board, Kurali	March 31, 2026

E. Intellectual Property Rights:

S. No.	Nature of Registration/ License	Class	Trademark Name and Logo	Owner	Application No. & Date	Remark
1.	Wordmark	30	STAR GOLD	Megastar Foods Pvt. Ltd.	2925444 & 19/03/2015	Objected
2.	Wordmark	30	STAR PRIDE	Megastar Foods Pvt. Ltd.	2925445 & 19/03/2015	Objected
3.	Trademark	31		Megastar Foods Pvt. Ltd.	3538935 & 01/05/2017	Registered
4.	Trademark	31		Megastar Foods Pvt. Ltd.	3544069 & 08/05/2017	Objected

5.	Trademark	31		Megastar Foods Pvt. Ltd.	3570663 & 14/06/2017	Objected
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The Details of Domain Name registered on the name of the Company is: -

S. No.	Domain Name and ID	Sponsoring Registrar and IANA ID	Registrant Name	Creation date	Registration Expiry date
1.	domain Name: MEGASTARFOODS.COM Registry Domain ID: 1863608970_DOMAIN_COM-VRSN	Registrar : PDR Ltd. d/b/a PublicDomainRegistry.com IANA ID: 303	Registrant Name: Mr. Vikas Goel Organization: Megastar Foods Private Limited	June 20, 2014	June 20, 2018

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

Fresh Issue

This Issue in terms of this Prospectus has been authorized by the Board of Directors pursuant to a resolution dated March 31, 2018 and by the shareholders pursuant to a special resolution in an Extra-Ordinary General Meeting held on April 04, 2018 under section 62 (1) (c) of the Companies Act, 2013.

Our Company has obtained in-principle approval from the SME Platform of BSE for using its name in the Prospectus/Prospectus pursuant to letter dated May 04, 2018 BSE is the Designated Stock Exchange.

Prohibition by the SEBI or other Governmental Authorities

Our Company, our Promoters, our Promoter Group, our Directors, Promoter Group Companies have not been prohibited from accessing the capital market for any reason or restrained from buying, selling or dealing in securities, under any order or directions by the SEBI or any other regulatory or government authorities.

The listing of any securities of our Company has never been refused by any of the Stock Exchanges in India.

None of our Directors are associated with the securities market and there are no violations of securities laws committed by any of them in the past or pending against them, nor have any companies with which our director was associated have been debarred or prohibited from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

Association with Securities Market

None of our Directors in any manner are associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our Directors are associated as promoters or directors

Prohibition by RBI

Neither our Company, our Promoter, our Directors, Group Entities, the relatives (as defined under the Companies Act, 2013) of Promoter or the person(s) in control of our Company have been identified as a wilful defaulter by the RBI or other governmental authority and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided in the chapter “Outstanding Litigations And Material Development” beginning on page 172 of the Prospectus.

Eligibility for the Issue

Our Company is eligible in terms of Regulations 4(2) of SEBI ICDR Regulations for this Issue.

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations; and this Issue is an “Initial Public Offer” in terms of the SEBI (ICDR) Regulations.

Our Company is eligible for the Issue in accordance with Regulation 106(M) (1) and other provisions of Chapter XB of the SEBI (ICDR) Regulations, as we are an Issuer whose post issue paid up capital is less than ₹ 10 Crores and we may hence issue Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the “SME Platform of BSE”).

We confirm that:

1. In accordance with Regulation 106(P) of the SEBI (ICDR) Regulations, this issue is 100% underwritten and that the LM to the Issue Shall underwrites minimum 15% of the Total Issue Size. For further details, pertaining to said underwriting please refer to section titled “General Information – Underwriting” beginning on page 48 of this Prospectus.

2. In accordance with Regulation 106 (R) of the SEBI (ICDR) Regulations, that the total number of proposed allottees in the Issue shall be greater than or equal to fifty (50), otherwise, the entire application money will be refunded forthwith. If such money is not repaid within fifteen (15) 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 fifteen (15) days, be liable to repay such application money, with interest as prescribed under section 40 of the Companies Act, 2013.
3. In accordance with Regulation 106(O) of the SEBI (ICDR) Regulations, we have not filed any of this Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our Lead Manager submits a copy of the Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.
4. In accordance with Regulation 106(V) of the SEBI (ICDR) Regulations, we hereby confirm that we have entered into an agreement with the LM and a Market Maker to ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of Equity Shares on the SME Platform of BSE. For further details of the arrangement of market making please refer to section titled “General Information – Details of the Market Making Arrangements for this Issue” beginning on page 48 of this Prospectus.

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter XB of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and sub-regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to us in this Issue.

Our Company is also eligible for the Issue in accordance with eligibility norms for listing on SME Exchange Platform BSE laid down under circular dated April 1, 2015 (<http://www.bsesme.com/static/getlisted/criteriaisting.aspx?expandable=0>), which states as follows:

1. Net Tangible Assets of at least ₹ 3 Crore as per the latest audited financial results (as restated).
2. Net worth (excluding revaluation reserves) of at least ₹ 3 crore as per the latest audited financial results (as restated).
3. Track record of distributable profits in terms of section 123 of Companies Act, 2013 for at least two years out of immediately preceding three financial years and each financial year has to be a period of at least 12 months. Extraordinary income will not be considered for the purpose of calculating distributable profits. Otherwise, the Net Worth shall be at least ₹ 5 Crores.
4. Distributable Profit, Net Tangible Assets and Net worth of the Company as per the restated financial statements for the period ended December 31, 2017 and for the year ended March 31, 2017, March 31, 2016, and March 31, 2015, is as set forth below: -

Particulars	(Amt in ₹)			
	December 31, 2017	March 31, 2017	March 31, 2016	March 31, 2015
Distributable Profit*	86.98	104.88	59.99	(28.15)
Net Tangible Assets**	925.09	828.31	699.45	621.48
Net Worth***	820.61	733.63	628.75	568.76

* Distributable Profit has been calculated as per Section 123 of Companies Act, 2013

** Net Tangible Assets are defined as the sum of all net assets of the Company, excluding intangible assets as defined in Accounting Standard 26 issued by the Institute of Chartered Accountants of India. As is evident, our company has Net Tangible Assets of over ₹ 3 crore.

*** Net worth includes shares capital and Reserves (Excluding Revaluation Reserve) Less Miscellaneous Expenditure not written off, if any, & Debit Balance of Profit and Loss Account not wrote off, if any. As is evident, our Company has a Net Worth of over ₹ 3 Crores.

5. The Post Issue paid up capital of our Company shall be at least ₹ 3 Crore. As detailed in chapter “Capital Structure” on page 56 of this Prospectus our Company will have a post issue capital of ₹ 9,90,37,000 (Rupees Nine crores ninety lakhs and thirty-seven thousand only)
6. Our Company shall mandatorily facilitate trading in demat securities and will enter into an agreement with both the depositories. The Company will enter into an agreement for registration with the Central Depository Services Limited (CDSL) dated April 19, 2018 and National Securities Depository Limited (NSDL) dated April 26, 2018 for establishing connectivity.
7. Our Company has a website i.e. www.megastarfoods.com
8. Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
9. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.
10. There is no winding up petition against our Company that has been admitted by the Court or a liquidator has not been appointed of competent Jurisdiction against the Company.
11. There has been no change in the promoter/s of the Company in the preceding one year from date of filing application to BSE for listing on SME segment.

We confirm that we comply with all the above requirements / conditions so as to be eligible to be listed on the SME Platform of the BSE.

Compliance with Part A of Schedule VIII of the SEBI (ICDR) Regulations

Our Company is in compliance with the provisions specified in Part A of the SEBI (ICDR) Regulations. No exemption from eligibility norms has been sought under Regulation 109 of the SEBI (ICDR) Regulations, with respect to the Issue. Further, our Company has not been formed by the conversion of a partnership firm into a company.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MERCHANT BANKER, SWASTIKA INVESTMART LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE LEAD MERCHANT BANKER, SWASTIKA INVESTMART LIMITED IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED MAY 07, 2018 WHICH READS AS FOLLOWS:

WE, THE UNDER NOTED LEAD MANAGER TO THE ABOVE MENTIONED FORTHCOMING ISSUE STATE AND CONFIRM AS FOLLOWS:

- 1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER**

MATERIAL IN CONNECTION WITH THE FINALISATION OF THE PROSPECTUS PERTAINING TO THE SAID ISSUE

- 2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:**
 - A. THE PROSPECTUS FILED WITH THE EXCHANGE IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**
 - B. ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**
 - C. THE DISCLOSURES MADE IN THE PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013, APPLICABLE PROVISIONS OF THE COMPANIES ACT, 1956, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.**
- 3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.**
- 4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS.**
- 5. WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTER HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE PROSPECTUS WITH THE EXCHANGE TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE PROSPECTUS.**
- 6. WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE PROSPECTUS.**
- 7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – NOT APPLICABLE**
- 8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE**

ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.

9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION – NOTED FOR COMPLIANCE
10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE. - NOT APPLICABLE AS IN TERMS OF THE PROVISIONS OF SECTION 29 OF THE COMPANIES ACT, 2013 THE EQUITY SHARES ARE TO BE ISSUED IN DEMATERIALIZED FORM ONLY.
11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.
12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE PROSPECTUS:
 - A. AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND
 - B. AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.
13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE- NOTED FOR COMPLIANCE
14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OR THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE, ETC.
15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.
16. WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKER BELOW (WHO ARE RESPONSIBLE FOR PRICING THIS ISSUE)', AS PER FORMAT SPECIFIED BY SEBI THROUGH CIRCULAR NO. CIR/CFD/DIL/7/2015 DATED OCTOBER 30, 2015.
17. WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS- TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED IN ACCORDANCE WITH ACCOUNTING STANDARD -18 IN THE FINANCIAL INFORMATION OF THE COMPANY INCLUDED IN THE PROSPECTUS.

ADDITIONAL CONFIRMATIONS/ CERTIFICATION TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH ISSUE DOCUMENT REGARDING SME EXCHANGE

1. WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.
2. WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN DRFAT PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.
3. WE CONFIRM THAT THE ABRIDGED PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 - NOTED FOR COMPLIANCE.
4. WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER
5. WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISIO TO SUB-REGULATION (4) OF REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009; CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE PROSPECTUS. - NOT APPLICABLE
6. WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 106P AND 106V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE.

The filing of this Prospectus does not, however, absolve our company from any liabilities under section 34, section 35, Section 36 and Section 38 (1) of the Companies Act, 2013 or from the requirement of obtaining such statutory and / or other clearances as may be required for the purpose of the proposed Issue. SEBI further reserves the right to take up at any point of time, with the LM any irregularities or lapses in the Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Chandigarh in terms of sections 26, 32 and 33 of the Companies Act, 2013.

Statement on Price Information of Past Issues handled by Swastika Investmart Limited:

Sr. No.	Issue name	Issue size (Rs in Cr.)	Issue Price (Rs.)	Listing date	Opening Price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]- 30 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 th calendar days from listing
1.	Sikko Industries Limited	5.12	32.00	April, 18, 2017	34.40	+11.54** (+3.58)**	+5.98* (+9.80)**	-4.86%* (+1.23%)**
2.	Transwind Infrastructures Limited	7.29	27.00	July, 12, 2017	30.85	+6.97* (-1.07)**	+10.21* (+1.71)**	+6.96* (+8.23)**
3.	Reliable Data Services Limited	14.82	57.00	October, 11, 2017	68.40	-6.43* (+3.37)**	+2.34* (+6.53)**	-17.25* (+4.33)**
4.	Milton Industries Limited	14.28	34.00	October, 16, 2017	40.80	-24.02* (-1.10)**	-26.71* (+4.40)**	-36.27* (+2.91)**
5.	Sharika	13.86	43.00	Novemb	51.60	+2.71*	-0.19*	-

	Enterprises Limited			er, 27, 2017		(+0.56)**	(-0.16)**	
6.	Zodiac Energy Limited	10.14	52.00	December, 05, 2017	62.40	-13.86* (+3.82)**	-41.57* (+3.36)**	-
7.	Inovana Thinklabs Limited	7.70	70.00	December, 12, 2017	77.00	+114.29* (+4.01)**	+192.21* (+1.77)**	-
8.	Solex Energy Limited	7.17	52.00	February, 05, 2018	43.50	+10.23* (-3.91)**	-	-
9.	Inflame Appliances limited	6.48	54.00	March, 16, 2018	50.70	-14.20* (+3.06)**	-	-
10.	Ridings Consulting Engineers India Limited	6.55	18.00	March, 26, 2018	18.50	+18.65* (+4.69)**	-	-

Source: Price Information www.bseindia.com & www.nseindia.com, Issue Information from respective Prospectus.

Note: -

- * The Base price to calculate +/- % Change in Closing Price, 30th / 90th / 180th Calendar Days from Listing is the “Opening Price” at the Date of Listing.
- ** The Base price to calculate +/- % Change in Closing Benchmark, 30th / 90th / 180th Calendar Days from Listing is the “Closing Price” at the Date of Listing.

Summary statement of Disclosure:

Financial Year	Total no. of IPOs	Total amount of funds raised (Rs. Cr.)	No. of IPOs trading at discount- 30 th calendar days from listing			No. of IPOs trading at Premium- 30 th calendar days from listing			No. of IPOs trading at discount- 180 th calendar days from listing			No. of IPOs trading at Premium- 180 th calendar days from listing		
			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%
2014-15	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016-17	3	29.113	-	-	-	-	-	3	-	-	1	2	-	-
2017-18	10	93.41	-	-	4	1	-	5	-	1	2	-	-	1

Note:

- a) Based on date of listing.
- b) BSE SENSEX and CNX NIFTY has been considered as the benchmark index.
- c) Prices on BSE/NSE are considered for all of the above calculations.
- d) In case 30th / 90th / 180th day is not a trading day, closing price on BSE/NSE of the next trading day has been considered.
- e) In case 30th / 90th / 180th day, scrips are not traded then last trading price has been considered.
- f) N.A. - Period not completed.
- g) As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect max. 10 issues (initial public offerings managed by the lead manager. Hence, disclosures pertaining to recent 10 issues handled by lead manager are provided.

Track Record of past issues handled by Swastika Investmart Limited

For details regarding track record of LM to the Issue as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the LM at: www.swastika.co.in

Disclaimer from our Company, Directors and the Lead Manager

Our Company, the Directors and the Lead Manager accept no responsibility for statements made otherwise than those contained in this Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at his or her own risk.

Caution

The LM accept no responsibility, save to the limited extent as provided in the Agreement entered between the LM (Swastika Investmart Limited) and our Company on April 04, 2018 the Underwriting Agreement dated April 04, 2018 entered into between the Underwriters and our Company and the Market Making Agreement dated April 04, 2018 entered into among the Market Maker and our Company.

All information shall be made available by our Company and the Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere.

The Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, Group Entities, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, Group Entities, and our affiliates or associates, for which they have received and may in future receive compensation.

Note:

Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the Issue

Disclaimer in Respect of Jurisdiction

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are majors, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, cooperative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of ₹ 2,500.00 Lakhs and pension funds with a minimum corpus of ₹ 2,500.00 Lakhs, and permitted non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. This Prospectus does not, however, constitute an offer to sell or an invitation to subscribe for Equity Shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions.

Any dispute arising out of this Issue will be subject to jurisdiction of the competent court(s) in Chandigarh, Punjab.



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 hereby may not be offered or sold, directly or indirectly, and this Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

Disclaimer Clause of the SME Platform of BSE

BSE Ltd. ("BSE") has given vide its letter dated May 04, 2018 permission to our Company to use its name in this offer document as one of the stock exchanges on which our Company's securities are proposed to be listed on the SME Platform. BSE has scrutinized this offer document for its limited internal purpose of deciding on the matter for granting the aforesaid permission to this Company. BSE does not in any manner:

- i. Warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- ii. Warrant that this Company's securities will be listed or will continue to be listed on BSE; or
- iii. Take any responsibility for the financial or other soundness of this Company, its Promoters, its management or any scheme or project of this Company;

And it should not for any reason be deemed or construed that this offer document has been cleared or approved by the BSE. Every person who desires to apply for or otherwise acquires any securities in this Company may do so pursuant to independent inquiry, investigations and analysis and shall not have any claim against BSE whatsoever by reason of loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

Disclaimer 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 under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

Filing

The Draft Prospectus/ Prospectus are being filed with BSE Limited, P.J. Tower, Dalal Street, Fort, Mumbai-400001, Maharashtra

A copy of the Draft Prospectus shall not be filed with the SEBI, nor will SEBI issue any observation on the Draft Prospectus in term of Regulation 106(M) (3) of the SEBI (ICDR) Regulations. However, a copy of the Prospectus shall be filed with SEBI at the Securities and Exchange Board of India, SEBI Northern Regional Office, 5th Floor, Bank of Baroda Building, 16, Sansad Marg, New Delhi- 110001, Delhi for their record purpose only.

A copy of the Prospectus, along with the documents required to be filed under Section 26 & 32 of the Companies Act, 2013 would be delivered for registration to the Registrar of Companies, Corporate Bhavan, 1st Floor, Plot No. 4-B, Madhya Marg, Sector 27B, Chandigarh-160019, Punjab.

Listing

In terms of Chapter XB of the SEBI (ICDR) Regulations, 2009 there is no requirement of obtaining in- principle approval of the SME Platform of BSE. However, application shall 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.

The SME Platform of BSE has given its in-principal approval for using its name in our Prospectus vide its letter dated May 04, 2018.

BSE is 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 shall forthwith repay, without interest, all moneys received from the applicants in pursuance of this Prospectus. If such money is not repaid within the prescribed time then our Company becomes liable to repay it, then our Company and every officer in default shall, shall be liable to repay such application money, with interest, as prescribed under the applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of BSE mentioned above are taken within six (6) Working Days of the Issue Closing Date. If Equity Shares are not Allotted pursuant to the Offer within Six (6) Working Days from the Issue Closing Date or within such timeline as prescribed by the SEBI, our Company shall repay with interest all monies received from applicants, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period. Subject to applicable law.

Impersonation

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

Any person who-

- a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

Shall be liable to action under section 447 of the Companies, Act 2013

Consents

Consents in writing of (a) Our Directors, Our Promoters, Our Company Secretary & Compliance Officer, Chief Financial Officer, Our Statutory Auditor, Our Peer Review Auditor, Our Banker(s) to the Company; (b) Lead Manager, Registrar to the Issue, Banker(s) to the Issue, Legal Advisor to the Issue, Underwriter(s) to the Issue and Market Maker to the Issue to act in their respective capacities have been obtained as required under section 26 of the Companies Act, 2013 and shall be filed along with a copy of the Prospectus with the RoC, as required under Sections 26 & 32 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

In accordance with the Companies Act and the SEBI (ICDR) Regulations, M/s Avnish Sharma & Associates, Chartered Accountants, Statutory Auditor and M/s Mistry and Shah, Chartered Accountant Peer Review Auditors of the Company have agreed to provide their written consent to the inclusion of their respective reports on Statement of Possible Tax Benefits relating to the possible tax benefits and restated financial statements as included in the Draft Prospectus/Prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of this Prospectus.

Experts Opinion

Except for the reports in the section “Financial information of the Company” and “Statement of Tax Benefits” on page 128 and 78 of this Prospectus from the Peer Review Auditors and Statutory Auditor respectively, our Company has not obtained any expert opinions. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act 1933.

Expenses of the Issue

The total expenses of the Issue are estimated to be approximately ₹ 41.40 Lacs, which is 5.15% of the Issue size. The estimated Issue related expenses include Issue Management Fee, underwriting and management fees SCSB’s commission/ Selling commission, fees, printing and distribution expenses, legal fees, statutory advertisement expenses, registrar and depository fees and listing fees. All expenses with respect to the Issue would be paid by our company as decided mutually.

The Estimated Issue expenses are as under: -

No.	Particulars	Expenses	As a % of total expenses	As a % of Issue
1.	Payment to Merchant Banker including, underwriting and selling commissions, brokerages, payment to other intermediaries such as Registrar Legal Advisors, Bankers etc, and other out of pocket expenses*	29.40	71.01%	3.66%
2.	Printing and Stationery and advertisement expenses	2.00	4.83%	0.25%
3.	Regulatory fees and other Statutory expenses	10.00	24.16%	1.24%
	Total estimated Issue Expenses	41.40	100.00%	5.15%

**Included Commission/ processing fees for SCSB, Brokerage and selling commission for Registered Brokers, RTA’s and CDPs.*

Fees, Brokerage and Selling Commission payable to the LM

The total fees payable to the Lead Manager will be as per the (i) Agreement dated April 04, 2018 with the Lead Manager Swastika Investmart Limited, (ii) the Underwriting Agreement dated April 04, 2018 with Underwriter (iii) the Market Making Agreement dated April 04, 2018 with Market Maker, a copy of which is available for inspection at our Registered Office from 10.00 am to 5.00 pm on Working Days from the date of the Prospectus until the Issue Closing Date.

Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue for processing of applications, data entry, printing of refund orders, preparation of refund data on magnetic tape and printing of bulk mailing register will be as per the agreement between our Company and the Registrar to the Issue dated April 04, 2018 a copy of which is available for inspection at our Company’s Registered Office.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty, and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable it to make refunds in any of the modes described in this Prospectus or send allotment advice by registered post/speed post.

Particulars regarding Public or Rights Issues during the last five (5) years

Our Company has not made any previous public or rights issue in India or Abroad the five (5) years preceding the date of this Prospectus.

Previous issues of Equity Shares otherwise than for cash

For detailed description please refer to section titled “Capital Structure” beginning on page 56 of this Prospectus.

Underwriting Commission, brokerage and selling commission on Previous Issues

Since this is the initial public offering of our Company’s Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares since our incorporation.



Particulars in regard to our Company and other listed group-companies / subsidiaries/ associates under the same management within the meaning of Section 370(1B) of the Companies Act, 1956 / Section 186 of the Companies Act, 2013 which made any capital issue during the last three years:

Neither our Company nor any other companies under the same management within the meaning of Section 370(1B) of the Companies Act, 1956 has made / Section 186 of the Companies Act, 2013, had made any public issue or rights issue during the last three years.

Performance vis-à-vis objects – Public/rights issue of our Company and/or listed Group Companies/ Subsidiaries and Associates of our Company

Except as stated in the chapter titled “Capital Structure” beginning on page 56 of this Prospectus our Company has not undertaken any previous public or rights issue. None of the Group Companies/ Entities or associates of our Company are listed on any stock exchange.

Performance vis-a-vis objects - Last Issue of Group/Associate Companies

All of our Group / Associate are unlisted and have not made a public issue of shares.

Outstanding Debentures or Bond Issues or Redeemable Preference Shares and other instruments

Our Company does not have any outstanding debentures or bonds or Preference Redeemable Shares as on the date of filing this Prospectus.

Outstanding Convertible Instruments

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

Option to Subscribe

Equity Shares being offered through the Prospectus can be applied for in dematerialized form only.

Stock Market Data of the Equity Shares

This being an initial public offering of the Equity Shares of our Company, the Equity Shares are not listed on any Stock Exchanges.

Mechanism for Redressal of Investor Grievances

The Agreement amongst the Registrar to the Issue, our Company provides for retention of records with the Registrar to the Issue for a period of at least three (3) year from the last date of dispatch of the letters of allotment, or refund orders, demat credit or where refunds are being made electronically, giving of refund instructions to the clearing system, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

We hereby confirm that there is no investor complaints received during the three years preceding the filing of Prospectus. Since there is no investor complaints received, none are pending as on the date of filing of this Prospectus.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application, Depository Participant, and the bank branch or collection centre where the application was submitted.

The Applicant should give full details such as name of the sole/ first Applicant, Application Form number, Applicant DP ID, Client ID, PAN, date of the Application Form, address of the Applicant, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Application Form was submitted by the Applicant. Further, the investor shall also enclose the Acknowledgement Slip from the Designated Intermediaries in addition to the documents or information mentioned herein above.

Disposal of Investor Grievances by our Company

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be fifteen (15) Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has constituted Stakeholders Relationship Committee in the meeting of our Board of Directors held on April 04, 2018. For further details on the Stakeholders Relationship Committee, please refer to section titled "Our Management" beginning on page 108 of this Prospectus.

Our Company has appointed Ms. Neharika Sodhi, Company Secretary, as the Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Contact details for our Company Secretary and Compliance Officer are as follows:

Ms. Neharika Sodhi

Megastar Foods Limited

Kurali-Ropar Road, Village-Solkhian-140108,

Dist. Roopnagar, Punjab, India

Tel No.: +91-01881-240401

E-mail: cs@megastarfoods.com

Website: www.megastarfoods.com

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account etc.

Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web based complaints redress system "SCORES". This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website www.scores.gov.in

Status of Investor Complaints

We confirm that we have not received any investor complaint during the three years preceding the date of this Prospectus and hence there are no pending investor complaints as on the date of this Prospectus.

Disposal of investor grievances by listed companies under the same management as our Company

We do not have any listed company under the same management.

Change in Auditors during the last three (3) years

Except the appointment of M/s Mistry and Shah, Chartered Accountant as the peer review Auditor of the Company; there are no changes in the Auditors of the company during the last three years.

Capitalization of Reserves or Profits

Except as disclosed under section titled "Capital Structure" beginning on page 56 of this Prospectus, our Company has not capitalized its reserves or profits at any time during the last five (5) years.

Revaluation of Assets

Our Company has not revalued its assets in five (5) years preceding the date of this Prospectus.

Tax Implications

Investors who are allotted Equity Shares in the Issue will be subject to capital gains tax on any resale of the Equity Shares at applicable rates, depending on the duration for which the investors have held the Equity Shares prior to such resale and whether the



Equity Shares are sold on the Stock Exchanges. For details, please refer the section titled "Statement of Tax Benefits" beginning on page 78 of this Prospectus.

Purchase of Property

Other than as disclosed in Section "Our Business" on page 88 of the Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of the Prospectus, other than property, in respect of which:

The contract for the purchase or acquisition was entered into in the ordinary course of business, or the contract was entered into in contemplation of the Issue, or that the Issue was contemplated in consequence of the contract; or the amount of the purchase money is not material.

Except as stated elsewhere in the Prospectus, our Company has not purchased any property in which the Promoter and/or Directors have any direct or indirect interest in any payment made there under.

Servicing Behavior

Except as stated in this Prospectus, there has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

Payment or benefit to officers of Our Company

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company or superannuation.

Except as disclosed in chapter titled "Our Management" beginning on page 108 and "Annexure – VIII - Statement of Related Party Transactions" beginning on page 154 of the Prospectus, none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

SECTION VII – ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The Equity Shares being offered are subject to the provisions of the Companies Act, SCRA, SCRR, SEBI (ICDR) Regulations, 2009, the SEBI Listing Regulations, our Memorandum and Articles of Association, the terms of this Prospectus, the Prospectus, the abridged prospectus, Application Form, CAN, the Revision Form, Allotment advices, and other terms and conditions as may be incorporated in the documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the GoI, the Stock Exchanges, the RoC, the FIPB, the RBI and/or other authorities, as in force on the date of the Issue and to the extent applicable.

Please note that in terms of SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all the investors applying in this 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 and our Memorandum and Articles of Association and shall rank *pari-passu* in all respects with the existing Equity Shares of our Company including rights in respect of dividends. The allottees, upon Allotment of Equity Shares under this Issue, will be entitled to receive dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, please refer to section titled “Main Provisions of Articles of Association of the Company” beginning on page 245 of this Prospectus.

Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as recommended by the Board of Directors at their discretion and approved by the shareholders and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends, in cash and as per provisions of Companies Act. For further details in relation to dividends, please refer to chapter titled “Dividend Policy” and “Main Provisions of the Articles of Association” on page 127 and 245 respectively of this Prospectus.

Face Value and Issue Price

The Equity Shares having a Face Value of ₹ 10.00 each are being offered in terms of this Prospectus at the price of ₹ 30.00/- per Equity Share (including a premium of ₹ 20.00 per Equity Share).

The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the section titled “Basis for Issue Price” on page 75 of this Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

Compliance with SEBI (ICDR) Regulations

Our Company shall comply with all requirements of the SEBI ICDR Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association of our Company, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;

- Right to receive Annual Reports & notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation; subject to any statutory and other preferential claims being satisfied;
- Right of free transferability of the Equity Shares, subject to applicable law, including any RBI Rules and Regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, 1956 and Companies Act, 2013, as may be applicable, terms of the SEBI Listing Regulations 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 refer to Section titled "Main Provisions of Articles of Association of the Company" beginning on page 245 of this Prospectus.

Minimum Application Value, Market Lot and Trading Lot

As per regulations made under and Section 29(1) of the Companies Act, 2013 the Equity Shares to be allotted must be in Dematerialized form i.e. not in the form of physical certificates but be fungible and be represented by the statement issued through electronic mode. Hence, the Equity Shares being offered can be applied for in the dematerialized form only. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite Agreement dated April 26, 2018 between NSDL, our Company and Registrar to the Issue; and
- Tripartite Agreement dated April 19, 2018 between CDSL, our Company and Registrar to the Issue; and

The trading of the Equity Shares will happen in the minimum contract size of 4000 Equity Shares and the same may be modified by the SME Platform of BSE from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Prospectus will be done in multiples of 4000 Equity Shares subject to a minimum allotment of 4000 Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

Further, in accordance with Regulation 106(Q) of the SEBI (ICDR) Regulations the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

Minimum Number of Allottees

The minimum number of allottees in the 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 amounts in the ASBA Account shall be unblocked forthwith.

Joint Holders

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

Nomination Facility to Investor

In accordance with Section 72 of the Companies Act, 2013 the 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 be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Section 72 of the Companies Act, 2013 any Person who becomes a nominee by virtue of this section shall upon the production of such evidence as may be required by the Board, 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 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares in the Issue will be made only in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

Period of Operation of Subscription List of Public Issue

ISSUE OPENS ON	MAY 14, 2018
ISSUE CLOSES ON	MAY 16, 2018

Minimum Subscription

In accordance with Regulation [106P] (1) of SEBI ICDR Regulations, this Issue is 100% underwritten. Also, in accordance with explanation to Regulation [106P] (1) of SEBI ICDR Regulations, the underwriting shall not be restricted to any minimum subscription level.

As per section 39 of the Companies Act, 2013 if the “**stated minimum amount**” has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of issue of Prospectus, the application money has to be returned within such period as may be prescribed.

If our Company does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriters within 60 (sixty) days from the date of closure of the issue, the issuer shall forthwith unblocked the entire subscription amount received. If there is a delay beyond 8 (eight) days after our Company becomes liable to pay the amount, our Company shall pay interest prescribed under Section 73 of the Companies Act, 2013 and applicable law if any.

In accordance with Regulation [106R] of SEBI ICDR Regulations, the minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the amounts in the ASBA Account shall be unblocked forthwith.

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

Further, in accordance with Regulation [106Q] of the SEBI (ICDR) Regulations the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

Further, in accordance with Regulation [106R] of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will allotted will not be less than 50 (Fifty). In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this issue and the amounts in the ASBA Account shall be unblocked forthwith.

Arrangements for disposal of odd lots

The trading of the Equity Shares will happen in the minimum contract size of 4000 equity shares in terms of the SEBI Circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME platform of BSE.

Restrictions on transfer and transmission of shares or debentures and on their consolidation or splitting

Except for lock-in of the Pre- Issue Equity Shares and Promoters' minimum contribution in the Issue as detailed in the section titled "Capital Structure" beginning on page 56 of this Prospectus, and except as provided in the Articles of Association of our Company, there are no restrictions on transfers of Equity Shares. There are no restrictions on transfer and transmission of shares/ debentures and on their consolidation / splitting except as provided in the Articles of Association. For further details please refer sub-heading "Main Provisions of the Articles of Association of the Company" on page 245 of this Prospectus.

New Financial Instruments

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

Application by Eligible NRIs, FPIs/FIIs registered with SEBI, VCFs registered with SEBI

It is to be understood that there is no reservation for Eligible NRIs, FPIs/FIIs registered with SEBI or VCFs. Such Eligible NRIs, FPIs/FIIs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

As per the extant policy of the Government of India, OCBs cannot participate in this Issue.

NRIs, FPIs/FIIs and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public offer without the prior approval of the RBI, so long as the price of the equity shares to be issued is not less than the price at which the equity shares are issued to residents. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment ("FDI") Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

Option to receive Equity Shares in Dematerialized Form

As per Section 29(1) of the Companies Act, 2013 and in accordance with SEBI ICDR Regulations, every company making public offer shall issue securities only in dematerialized form only. Hence, the Equity Shares being offered can be applied for in the dematerialized form only. The investors have an option either to receive the security certificate or to hold the securities with depository. However, as per SEBI's circular RMB (compendium) series circular no. 2 (1999-2000) dated February 16, 2000, it has been decided by the SEBI that trading in securities of companies making an initial public offer shall be in dematerialized form only. The Equity Shares on Allotment will be traded only on the dematerialized segment of the SME Exchange. Applicants will not have an option of Allotment of the Equity Shares in physical form.

Migration to Main Board

In accordance with the BSE Circular dated November 26, 2012, our Company will have to be mandatorily listed and traded on the SME Platform of the BSE for a minimum period of two years from the date of listing and only after that it can migrate to the Main

Board of the BSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter XB of the SEBI (ICDR) Regulations. Our Company may migrate to the Main Board of BSE from the SME Exchange on a later date subject to the following:

- If the Paid up Capital of the Company is likely to increase above ₹ 25 Crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the Company has obtained in-principal approval from the main board), we shall have to apply to BSE for listing our shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board

OR

- If the Paid up Capital of the company is more than Rs. 10 crores but below Rs. 25 crores, we may still apply for migration to the Main Board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

Market Making

The Equity Shares offered through this Issue are proposed to be listed on the SME Platform of BSE (BSE SME), 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 3 (three) years from the date of listing on the SME Platform of BSE. For further details of the agreement entered into between our Company, the Lead Manager and the Market Maker please refer to section titled “General Information - Details of the Market Making Arrangements for this Issue” beginning on page 48 of this Prospectus.

In accordance with the SEBI Circular No. CIR/MRD/DSA/31/2012 dated November 27, 2012; it has been decided to make applicable limits on the upper side for the Market Makers during market making process taking into consideration the Issue size in the following manner:

Issue size	Buy quote exemption threshold (including mandatory initial inventory of 5% of issue size)	Re-entry threshold for buy quotes (including mandatory initial inventory of 5% of issue size)
Upto ₹ 20 Crore, as applicable in our case	25%	24%

Further, the Market Maker shall give (2) Two way quotes till it reaches the upper limit threshold; thereafter it has the option to give only sell quotes. Two (2) way quotes shall be resumed the moment inventory reaches the prescribed re-entry threshold.

In view of the Market Maker obligation, there shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts its inventory through market making process on the platform of the exchange, the concerned stock exchange may intimate the same to SEBI after due verification.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, 2013 our Company shall, after registering the Prospectus with the RoC publish a pre-Issue advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where the Registered Office of our Company is situated.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Chandigarh, India.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons”



(as defined in Regulation S), except pursuant to an exemption from or in a transaction not subject to, registration requirements of the U.S. Securities Act and applicable U.S. State securities laws. Accordingly, the Equity Shares are only being offered or sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

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

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated herein above. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 106(M)(1) of Chapter X-B of SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, an issuer whose post-issue face value capital is less than Rs. 10 Crores, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the SME Platform of BSE). For further details regarding the salient features and terms of such an issue please refer chapter titled “Terms of the Issue” and “Issue Procedure” on page 194 and 203 respectively of this Prospectus.

The Public Issue of 26,80,000 Equity Shares of Face Value of ₹ 10/- each fully paid (The “Equity Shares”) for cash at a price of ₹ 30.00/- per Equity Shares (*including a premium of ₹ 20.00/- per equity share*) aggregating to ₹ 804.00 Lakhs (*“the issue”*) by our Company of which 1,36,000 Equity Shares of ₹ 10 each will be reserved for subscription by Market Maker Reservations Portion and a Net Issue to public of 25,44,000 Equity Shares of ₹ 10 each is hereinafter referred to as the net issue. The Issue and the Net Issue will constitute 27.06% and 25.69% respectively of the post issue paid up Equity Share Capital of the Company.

The Issue is being made by way of Fixed Price Issue Process

Particulars of the Issue	Net Issue to Public*	Market Maker Reservation Portion
Number of Equity Shares available for allocation	25,44,000 Equity Shares of Face Value ₹ 10/-	1,36,000 Equity Shares of Face Value ₹ 10/-
Percentage of Issue Size available for allocation	94.93 % of the Issue Size (Minimum 50% to Retail Individual Investors and the balance to other investors).	5.07 % of the Issue Size
Basis of Allotment	Proportionate subject to minimum allotment of 4000 Equity Shares and further allotment in multiples of 4000 Equity Shares each. For further details please refer to “Issue Procedure - Basis of Allotment” on page 234 of this Prospectus.	Firm Allotment
Mode of Application	Through ASBA Process Only	Through ASBA Process Only
Minimum Application Size	<u>For Other than Retails Individual Investors:</u> Such number of Equity Shares in multiples of 4000 Equity Shares at an Issue price of ₹ 30.00 each, such that the Application Value exceeds ₹ 2,00,000/- <u>For Retail Individuals Investors:</u> 4000 Equity Shares at an Issue price of ₹ 30.00 Each	1,36,000 Equity Shares of Face Value ₹ 10/-
Maximum Application Size	<u>For Other than Retails Individual Investors:</u> The maximum application size is the Net Issue to public subject to limits the investor has to adhere under the relevant laws and regulations applicable. <u>For Retail Individuals Investors:</u> Such number of Equity Shares in multiples of 4000 Equity Shares such that the Application Value does not exceed ₹ 2,00,000/-.	1,36,000 Equity Shares of Face Value ₹ 10/-
Mode of Allotment	Compulsorily in dematerialized form	

Particulars of the Issue	Net Issue to Public*	Market Maker Reservation Portion
Trading Lot	4000 Equity Shares	4000 Equity Shares, However the Market Makers may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2009.
Terms of Payment	The entire Application Amount will be payable at the time of submission of the Application Form.	

This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. For further details please refer to “Issue Structure” on page 200 of this Prospectus.

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

- Minimum fifty percent to retail individual investors; and
- Remaining to Investors other than retail Individual Investors; and
- The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

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

Withdrawal of the Issue

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

In case, the Company wishes to withdraw the Issue after Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (one each in English and Hindi) and one in regional newspaper.

The Lead Manager, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly.

If our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh offer document with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange with respect to the Equity Shares offered through the Prospectus, which our Company will apply for only after Allotment; and (ii) the final RoC approval of the Prospectus.

ISSUE PROGRAMME	
ISSUE OPENING DATE	MAY 14, 2018
ISSUE CLOSING DATE	MAY 16, 2018

Applications and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centers mentioned in the Application Form, On the Issue Closing Date when applications will be accepted only between 10.00 a.m. to 4.00 p.m. (Indian Standard Time).

Due to limitation of time available for uploading the application on the Issue Closing Date, Applicants are advised to submit their applications one day prior to the Issue Closing Date and, in any case, not later than 1.00 p.m. IST on the Issue Closing Date. Any



time mentioned in this Prospectus is IST. Applicants are cautioned that, in the event a large number of 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 this Issue.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday)

ISSUE PROCEDURE

*All Applicants should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI ("General Information Document") **included below under section "PART B – General Information Document"**, which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act 2013 (to the extent notified), the Companies Act, 1956 (to the extent not repealed by the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI ICDR Regulations as amended. The General Information Document has been updated to include reference to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, SEBI Listing Regulations 2015 and certain notified provisions of the Companies Act, 2013, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchanges and the Lead Manager. Please refer to the relevant portions of the General Information Document which are applicable to this Issue.*

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 ASBA Process mandatory for all investors, allowing registrar, share transfer agents, collecting depository participants and stock brokers to accept application forms. Further, SEBI, by its circular No. (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 the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Applicants are advised to make their independent investigations and ensure that their Applications 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 the Draft Prospectus and this 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.

Our Company and the LM are not liable for any amendments, modifications or change in applicable laws or regulations, which may occur after the date of this Prospectus.

PART A

Fixed Price Issue Procedure

The Issue is being made under Regulation 106(M)(1) of Chapter XB of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 via Fixed Price Process.

Applicants are required to submit their Applications to the Designated Intermediaries. In case of QIB Applicants, our 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, our Company would have a right to reject the Applications only on technical grounds.

Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialized form. Applicants will not have the option of being Allotted Equity Shares in physical form. Further the Equity shares on allotment shall be traded only in the dematerialized segment of the Stock Exchange, as mandated by SEBI.

Application Form

Pursuant to SEBI Circular dated November 10, 2015 and bearing Reference No. CIR/CFD/POLICYCELL/11/2015 which shall be applicable for all public issues opening on or after January 01, 2016, all the investors can apply through ASBA Mode. The prescribed colours of the Application Form for various categories applying in this issue are as follows:

Category	Colour*
Indian Public / eligible NRI's applying on a non-repatriation basis (ASBA)	White
Non-Residents including eligible NRI's, FPI's, FIIs, FVCIs, etc. applying on a repatriation basis (ASBA)	Blue

* Excluding electronic Application Form

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Prospectus. The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number.

Pursuant to SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 Dated November 10, 2015, an Investor, intending to subscribe to this Issue, shall submit a completed application form to any of the following Intermediaries (Collectively called “**Designated Intermediaries**”):

Sr. No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A syndicate member (or sub-syndicate member)
3.	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (‘broker’)
4.	A depository participant (‘DP’) (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5.	A registrar to an issue and share transfer agent (‘RTA’) (whose name is mentioned on the website of the stock exchange as eligible for this activity)

The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as proof of having accepted the application form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

For Applications submitted by investors to SCSB:	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs:	After accepting the application form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.

Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking funds that are available in the bank account specified in the Application Form used by ASBA Applicants.

Availability of Prospectus and Application Forms

The Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, Lead Manager to the Issue, and Registrar to the Issue, as mentioned in the Application Form. The application forms may also be downloaded from the website of BSE limited i.e. www.bseindia.com.

Who can apply?

In addition to the category of Applicants as set forth under “Part B -General Information Document for Investing in Public Issues-Category of Investors Eligible to participate in an Issue” under chapter titled “Issue Procedure” beginning on page 203 of this Prospectus, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- FPIs and sub-accounts registered with SEBI other than Category III foreign portfolio investor;
- Category III foreign portfolio investors, which are foreign corporate or foreign individuals only under the Non Institutional Investors category;
- Scientific and / or industrial research organizations authorized in India to invest in the Equity Shares.
- Any other persons eligible to apply in this Issue under the laws, rules, regulations, guidelines and policies applicable to them.

Application not to be made by:

1. Minors (except through their Legal Guardians)
2. Partnership firms or their nominations
3. Overseas Corporate Bodies

MAXIMUM AND MINIMUM APPLICATION SIZE

1. For Retail Individual Applicants

The Application must be for a minimum of 4000 Equity Shares and in multiples of 4000 Equity Shares thereafter, so as to ensure that the Application Price payable by the Applicant does not exceed Rs. 2, 00,000. In case of revision of Applications, the Retail Individual Applicants have to ensure that the Application Price does not exceed Rs. 2, 00,000.

2. For Other than Retail Individual Applicants (Non-Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds Rs. 2, 00,000 and in multiples of 4000 Equity Shares thereafter. An Application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. A QIB and a Non-Institutional Applicant cannot withdraw or lower the size of their Application at any stage and are required to pay the entire Application Amount upon submission of the Application.

In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs. 2, 00,000 for being considered for allocation in the Non-Institutional Portion.

Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Prospectus.

The above information is given for the benefit of the Applicants. The Company and the LMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

Participation by Associates /Affiliates of LM and the Syndicate Members

The LM, Market Maker and the Underwriter, if any shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting and market making obligations. However, associates/affiliates of the LM and Syndicate Members, if any may subscribe for Equity Shares in the Issue, either in the QIB Category or in the Non- Institutional Category as may be applicable to the Applicants, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

Option to Subscribe in the Issue

- a) As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.
- b) The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- c) A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

Application by Indian Public including eligible NRIs applying on Non-Repatriation Basis

Application must be made only in the names of individuals, Limited Companies or Statutory Corporations/institutions and not in the names of Minors, Foreign Nationals, Non Residents Indian (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, Partnership firms or their nominees. In case of HUFs, application shall be made by the Karta of the HUF. 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. Eligible NRIs applying on a non-repatriation basis should authorize their SCSB to block their NRE/FCNR accounts as well as NRO accounts.

Applications by eligible NRIs/ FPI's on Repatriation Basis

Application Forms have been made available for eligible NRIs at our registered office and at the office of the Lead Manager to the Issue.

Eligible NRIs applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment under reserved category. The Eligible NRIs who intend to get the amount blocked in the Non Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians and shall not use the forms meant for reserved category.

Under FEMA, general permission is granted to companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRIs subject to the terms and conditions stipulated therein. Companies are required to file the declaration in the prescribed form to the concerned Regional Office of RBI within 30(thirty) days from the date of issue of shares of allotment to NRIs on repatriation basis.

Allotment of Equity shares to Non-Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in Equity shares will be allowed to be repatriated along with the income thereon subject to the permission of the RBI and subject to the Indian Tax Laws and regulations and any other applicable laws.

As Per the Current Regulations, The Following Restrictions Are Applicable for Investments by FPIs.

1. A 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 a 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' (IFC) by the Reserve Bank of India; (i) 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 SEBI (Foreign Portfolio Investors) Regulations, 2014, hold 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 from 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:
 - ❖ Any transactions in derivatives on a recognized stock exchange;
 - ❖ Short selling transactions in accordance with the framework specified by the Board;

- ❖ Any transaction in securities pursuant to an agreement entered into with the merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - ❖ Any other transaction specified by the Board.
- c) No transaction on the stock exchange shall be carried forward;
- d) The transaction of business in securities by a foreign portfolio investor shall be only through stock brokers registered by the Board; provided nothing contained in this clause shall apply to:
- i. transactions in Government securities and such other securities falling under the purview of the Reserve Bank of India which shall be carried out in the manner specified by the Reserve Bank of India;
 - ii. Sale of securities in response to a letter of offer sent by an acquirer in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - iii. Sale of securities in response to an offer made by any promoter or acquirer in accordance with the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - iv. Sale of securities, in accordance with the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998;
 - v. divestment of securities in response to an offer by Indian Companies in accordance with Operative Guidelines of Disinvestment of shares of 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 portion of the Issue or subscribing to the unsubscribed portion of the Issue in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - viii. Any other transaction specified by 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 regulation, can be held in non-dematerialized form, if such shares cannot be dematerialized.
4. 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.
 5. The purchase of Equity Shares of each company by a single foreign portfolio investor or an investor group shall be below ten percent of the total issued capital of the company.
 6. 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.
 7. 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.
 8. 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 derivatives 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.

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.

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.

Any offshore derivative instruments issued under the Securities and Exchange Board of India of India (Foreign Institutional Investors) Regulations, 1995 before commencement of SEBI (Foreign Portfolio Investors) Regulation, 2014 shall be deemed to have been issued under the corresponding provision of SEBI (Foreign Portfolio Investors) Regulation, 2014.

The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below 10 per cent of the total issued capital of the company.

An FII or its subaccount which holds a valid certificate of registration shall, subject to the 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.

Qualified foreign investor may continue to buy, sell or otherwise deal in securities subject to the provision of SEBI (Foreign Portfolio Investors) Regulation, 2014, for a period of one year from the date of commencement of aforesaid regulations, or until it obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

Application by Mutual Funds

As per the Current regulations, the following restrictions are applicable for investments by Mutual Fund:

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any company's paid up share capital carrying voting rights.

With respect to 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.

The Application made by Asset Management Companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

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 LLP Act, 2008 must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof.

Applications by Insurance Companies

In case of applications made by insurance companies registered with IRDA, certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company in consultation with the LM, reserves the right to reject any application, without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment Scheme) (5th Amendment) Regulations, 2010, as amended (the “IRDA Investment Regulations”), are broadly set forth below:

- a. Equity shares of a company: The lesser 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: at least 10% of the respective fund in case of a life insurer or 10% of investment assets in case of general insurer or reinsurer (25% in case of Unit Linked Insurance Plans); and
- c. The industry sector in which the investee company operates: 10% of the insurer’s total investment exposure to the industry sector (25% in case of Unit Linked Insurance Plans).

Applications under Power of Attorney

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FIIs, FPI’s, Mutual Funds, insurance companies and provident funds with minimum corpus of Rs. 2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2,500 Lakhs, a certified copy of the power of attorney or the relevant Resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged 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 therefore.

With respect to the applications by VCFs, FVCIs and FPIs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may belong with a certified copy of their SEBI registration certificate must be lodged along 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 therefore.

In the case of Applications made pursuant to a power of attorney by Mutual Funds, a certified copy of the power of attorney or the relevant resolutions or authority, as the case may be, along with the certified copy of their SEBI registration certificate must be submitted 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 reason therefore.

In the case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by the IRDA 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 reason therefore.

In the case of Applications made by to the power of attorney by FIIs, a certified copy of the power of attorney the relevant resolution or authority, as the case may be along with the certified copy of SEBI registration certificate 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 thereof.

In the case of Applications made by provident funds, subject to applicable law, with minimum corpus of Rs. 2500 Lacs and pension funds with minimum corpus of Rs. 2500 Lacs, 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 any Application in whole or in part, in either case, without assigning any reason thereof.

Application by Provident Funds/Pension Funds

In case of Applications made by provident funds with minimum corpus of Rs. 2,500 lakhs (subject to applicable law) and pension funds with minimum corpus of Rs. 2,500 lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along 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.

The above information is given for the benefit of the Applicants. Our 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 filing of this Prospectus. Applicants are advised to make their independent investigations and ensure that the maximum number of Equity Shares applied for or maximum investment limits do not exceed the applicable limits under laws or regulations or as specified in this Prospectus.

Information for the Applicants:

1. Our Company and the Lead Managers shall declare the Issue Opening Date and Issue Closing Date in the Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in prescribed format.
2. Our Company will file the Prospectus with the RoC at least 3 (three) days before the Issue Opening Date.
3. Copies of the Application Form along with Abridge Prospectus and copies of the Prospectus will be available with the, the Lead Managers, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Application Forms will also be available on the websites of the Stock Exchange,
4. Copies of the Application Form and the abridged prospectus will be available at the offices of the Lead Manager, the Designated Intermediaries, and Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the BSE (www.bseindia.com), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Issue Opening Date.
5. Applicants who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
6. Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.
7. The Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account.
8. Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSBs or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form, before entering the ASBA application into the electronic system.
9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Applicants, or in the case of application in joint names, the first Applicant (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Application Form without PAN is liable to be rejected. The demat accounts of Applicants for whom PAN details have not been verified, excluding persons resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Applicants.
10. The Applicants may note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Application Form is liable to be rejected.

Method and Process of Applications

1. The Designated Intermediaries shall accept applications from the Applicants during the Issue Period.
2. The Issue Period shall be for a minimum of three Working Days and shall not exceed 10 (ten) Working Days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding 10 (ten) Working Days.

3. During the Issue Period, Applicants who are interested in subscribing to the Equity Shares should approach the Designated Intermediaries to register their applications.
4. The Applicant cannot apply on another Application Form after applications on one Application Form have been submitted to the Designated Intermediaries. Submission of a second Application form to either the same or to another Designated Intermediaries will be treated as multiple applications and is liable to be rejected either before entering the application into the electronic collecting system or at any point prior to the allocation or Allotment of Equity Shares in this Issue.
5. Designated Intermediaries accepting the application forms shall be responsible for uploading the application along with other relevant details in application forms on the electronic bidding system of stock exchange and submitting the form to SCSBs for blocking of funds (except in case of SCSBs, where blocking of funds will be done by respective SCSBs only). All applications shall be stamped and thereby acknowledged by the Designated Intermediaries at the time of receipt.
6. Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Intermediaries shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such applications with the Stock Exchange.
7. If sufficient funds are not available in the ASBA Account, the Designated Intermediaries shall reject such applications and shall not upload such applications with the Stock Exchange.
8. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and generate a TRS for each price and demand option. The TRS shall be furnished to the Applicant on request.
9. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/ failure of the Issue or until withdrawal/ rejection of the Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal/ failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

Terms of payment

The entire Issue price of Rs. 30.00 per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Applicants.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The applicants should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

Payment mechanism

The applicants shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non Retail Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Applicant, as the case may be.

Please note that pursuant to SEBI circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 investors in the public issue can only invest through ASBA Mode.

Electronic Registration of Applications

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Issue Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
 - (i) the applications accepted by them,
 - (ii) the applications uploaded by them
 - (iii) the applications accepted but not uploaded by them or
 - (iv) with respect to applications by Applicants, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Application form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Lead Managers nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
 - (i) the applications accepted by any Designated Intermediaries
 - (ii) the applications uploaded by any Designated Intermediaries or
 - (iii) the applications accepted but not uploaded by any Designated Intermediaries
5. The Stock Exchange will offer an electronic facility for registering applications for the Issue. This facility will available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Lead Manager on a regular basis.
6. With respect to applications by Applicants, at the time of registering such applications, the Syndicate Members, DPs and RTAs shall forward a Schedule as per format given below along with the Application Forms to Designated Branches of the SCSBs for blocking of funds:

S. No.	Details*
1.	Symbol
2.	Intermediary Code
3.	Location Code
4.	Application No.
5.	Category
6.	PAN
7.	DP ID
8.	Client ID
9.	Quantity
10.	Amount

*Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields

7. With respect to applications by Applicants, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Applicants into in the on-line system:

- Name of the Applicant;
 - IPO Name;
 - Application Form Number;
 - Investor Category;
 - PAN (of First Applicant, if more than one Applicant);
 - DP ID of the demat account of the Applicant;
 - Client Identification Number of the demat account of the Applicant;
 - Number of Equity Shares Applied for;
 - Bank Account details;
 - Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
 - Bank account number.
8. In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Application Form number which shall be system generated.
 9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
 10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
 11. In case of Non Retail Applicants and Retail Individual Applicants, applications would not be rejected except on the technical grounds as mentioned in the Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
 12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
 13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
 14. The SCSBs shall be given one day after the Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.
 15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

Allocation of Equity shares

- 1) The Issue is being made through the Fixed Price Process wherein 1,36,000 Equity Shares shall be reserved for Market Maker. 12,72,000 Equity shares will be allocated on a proportionate basis to Retail Individual Applicants, subject to valid applications being received from Retail Individual Applicants at the Issue Price. The balance of the Net Issue will be available for allocation on proportionate basis to Non Retail Applicants.

- 2) Under- subscription if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Lead Managers and the Stock Exchange.
- 3) Allocation to Non-Residents, including Eligible NRIs, Eligible QFIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.
- 4) In terms of SEBI Regulations, Non Retail Applicants shall not be allowed to either withdraw or lower the size of their applications at any stage.
- 5) Allotment status details shall be available on the website of the Registrar to the Issue.

Signing of Underwriting Agreement and Filing of Prospectus with ROC

- a) Our company has entered into an Underwriting Agreement dated April 04, 2018.
- b) A copy of Prospectus will be filled with the RoC in terms of Section 26 of Companies Act, 2013.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act 2013, our Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in (i) English National Newspaper; (ii) Hindi National Newspaper and (iii) Regional Newspaper each with wide circulation.

Issuance of Allotment Advice

- 1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- 2) The Lead Managers or the Registrar to the Issue will dispatch an Allotment Advice to their Applicants who have been allocated Equity Shares in the Issue.

The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Applicant.

General Instructions

Do's:

- Check if you are eligible to apply;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about the Depository Participant and the beneficiary account are correct as Allotment of Equity Shares will be in the dematerialized form only;
- Each of the Applicants should mention their Permanent Account Number (PAN) allotted under the Income Tax Act, 1961;
- Ensure that the Demographic Details are updated, true and correct in all respects;
- Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant.
- Ensure that you have funds equal to the Application Amount in the ASBA account maintained with the SCSB before submitting the Application Form under the ASBA process to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centers), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations); Instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
- Ensure that the Application Form is signed by the account holder in case the applicant is not the account holder. Ensure that you have mentioned the correct bank account number in the Application Form;
- Ensure that the Application Forms are delivered by the applicants within the time prescribed as per the Application Form and the Prospectus;
- Ensure that you have requested for and receive a TRS;
- Ensure that you request for and receive a stamped acknowledgement of the Application Form for all your application options;
- All Investors submit their applications through the ASBA process only;
- Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Bid cum Application Form; and

- 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 for a price different from the price mentioned herein or in the Application Form;
- Do not apply on another Application Form after you have submitted an application to the SCSBs, Registered Brokers of Stock Exchange, RTA and DPs registered with SEBI;
- Do not pay the Application Price in cash, by money order or by postal order or by stock invest;
- Do not send Application Forms by post, instead submit the Designated Intermediary only;
- 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 submit the application without ensuring that funds equivalent to the entire application Amount are blocked in the relevant ASBA Account;
- Do not apply for an Application Amount exceeding Rs. 2,00,000 (for applications by Retail Individual Applicants);
- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue Size and/or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground;
- Do not submit incorrect details of the DP ID, beneficiary account number 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 applications on plain paper or incomplete or illegible Application Forms in a colour prescribed for another category of Applicant; and
- Do not make Applications if you are not competent to contract under the Indian Contract Act, 1872, as amended.
- Do not make more than five applications from one ASBA account.

The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Instructions for Completing the Application Form

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Application Forms should bear the stamp of the Designated Intermediaries. ASBA Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No.CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Application forms in public issues using the stock broker (₹broker) network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e. www.bseindia.com and NSE i.e. www.nseindia.com With a view to broad base the reach of Investors by substantial), enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Application forms in Public Issue with effect from January 01, 2016. The List of ETA and DPs centers for collecting the application shall be disclosed is available on the websites of BSE i.e. www.bseindia.com and NSE i.e. www.nseindia.com

Applicant's Depository Account and Bank Details

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the application form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue.



By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

Submission of Application Form

All Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

Issuance of a Confirmation of Allocation Note (“CAN”) and Allotment in the Issue

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the Registrar to the Issue shall send to the SCSBs a list of their Applicants who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN or send intimation via E-mail to their Applicants who have been allocated Equity Shares in the Issue. The dispatch of a CAN or send intimation via E-mail shall be deemed a valid, binding and irrevocable contract for the Applicant.

Communications

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

Disposal of Application and Application Moneys and Interest in Case of Delay

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps 'for completion of the necessary formalities for listing and commencement of trading at SME Platform of BSE where the Equity Shares are proposed to be listed arc taken within 6 (Six) working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 6 (Six) days of the Issue Closing Date;
2. The Company will provide adequate funds required for dispatch of Allotment Advice to the Registrar to the Issue.

Impersonation

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who—

- a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities;
- or

- b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.

Undertakings by Our Company

We undertake as follows:

- 1) That the complaints received in respect of the Issue shall be attended to by us expeditiously and satisfactorily;
- 2) That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within 6 (six) Working days of Issue Closing Date.
- 3) That if the Company do not proceed with the Issue, the reason thereof shall be given as a public notice to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
- 4) That the our Promoters' contribution in full has already been brought in;
- 5) That no further issue of Equity Shares shall be made till the Equity Shares offered through the Prospectus are listed or until the Application monies are unblocked on account of non-listing, under subscription etc. and
- 6) That if the Company withdraws the Issue after the Issue Closing Date, our Company shall be required to file a fresh offer document with the RoC/ SEBI, in the event our Company subsequently decides to proceed with the Issuer;

Utilization of Issue Proceeds

The Board of Directors of our Company certifies that:

- 1) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;
- 2) Details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the issue proceeds remains unutilized, under an appropriate head in our balance sheet of our company indicating the purpose for which such monies have been utilized;
- 3) Details of all unutilized monies out of the Issue, if any shall be disclosed under the appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested and
- 4) Our Company shall comply with the requirements of SEBI Listing Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.
- 5) Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
- 6) The Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactorily.

Equity Shares in Dematerialized Form with NSDL or CDSL

To enable all shareholders of our 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) Agreement dated April 26, 2018 between NSDL, the Company and the Registrar to the Issue;



b) Agreement dated April 19, 2018 between CDSL, the Company and the Registrar to the Issue;

The Company's equity Shares bear an ISIN No. INE00EM01016

PART B

GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES

This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, 2013 (to the extent notified and in effect), the Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon the notification of the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. 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 Draft Prospectus/Prospectus before investing in the Issue.

Section 1: Purpose of the General Information Document (GID)

This document is applicable to the public issues undertaken inter-alia through 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, on the processes and procedures governing IPOs, 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 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 **LM(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 refer to the section “Glossary and Abbreviations”.

Section 2: Brief Introduction to IPOs on SME Exchange

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 if applicable. For details of compliance with the eligibility requirements by the Issuer Applicants may refer to the Prospectus.

The Issuer may also undertake IPO under Chapter XB of SEBI (ICDR) regulations, wherein as per,

- Regulation 106M (1): An issuer whose post-issue face value capital does not exceed ten crore rupees shall issue its specified securities in accordance with provisions of this Chapter.
- Regulation 106M (2): An issuer whose post-issue face value capital is more than ten crore rupees and upto twenty-five crore rupees, may also issue its specified securities in accordance with provisions of this Chapter.

The present Issue being made under Regulation 106M (1) of Chapter XB of SEBI (ICDR) Regulation.

2.2 Other Eligibility Requirements

In addition to the eligibility requirements specified in paragraphs 2.1 an Issuer proposing to undertake an IPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, the Companies Act, 1956 and the Companies Act, 2013 as may be applicable (“the Companies Act”), the Securities Contracts (Regulation) Rules, 1957 (the “**SCRR**”), industry-specific regulations, if any, and other applicable laws for the time being in force.

Following are the eligibility requirements for making an SME IPO under Regulation 106M (1) of Chapter XB of SEBI (ICDR) Regulation:

- a) In accordance with Regulation 106(P) of SEBI (ICDR) Regulation, Issue has to be 100% underwritten and the LM has to underwrite at least 15% of the total issue size.
- b) In accordance with regulation 106(R) of SEBI (ICDR) Regulation, total number of proposed allottees in the Issue shall be greater than or equal to fifty, otherwise the entire application money will be blocked forthwith. If such money is not repaid within eight days from the date the company becomes liable to repay it, than the Company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under Section 40 of the Companies Act, 2013.
- c) In accordance with Regulation 106(O) the SEBI (ICDR) Regulation, Company is not required to file any Offer Document with SEBI nor has SEBI issued any observations on the Offer Document. The Lead Manager shall submit the copy of Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.
- d) In accordance with Regulation 106(V) of the SEBI (ICDR) Regulation, the LM has to ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares offered in the Issue.
- e) The Issuer shall have Net Tangible Assets of at least Rs. 3 crore as per the latest audited financial result.
- f) The Net worth (excluding revaluation reserves) of the Issuer shall be at least Rs. 3 crore as per the latest audited financial result.
- g) The issuer should have a tract record of distributable profits in terms of Section 123 of Companies Act, 2013 for two out of immediately preceding three financial years or it should have net worth of atleast Rs. 5 crores.
- h) The post –issue paid up capital of the issuer shall be at least Rs. 3crore.
- i) The issuer shall mandatorily facilitate trading in demat securities.
- j) The issuer should not been referred to Board for Industrial and Financial Reconstruction.
- k) No petition for winding up is admitted by a court of competent jurisdiction against the Issuer.
- l) No material regulatory or disciplinary action should have been taken by any stock exchange or regulatory authority in the past three years against the Issuer.
- m) The company should have a website.
- n) There has been no change in the promoter(s) of the company in the 1 year preceding the date of filing application to BSE for listing on SME segment.

Issuer shall also comply with all the other requirements as laid down for such an Issue under Chapter X-B of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106 (M) (3) of SEBI (ICDR) Regulation, 2009 the provisions of regulations 6(1), 6(2), 6(3) , Regulation 7, Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 43 and Sub regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to this Issue.

Thus the Company is eligible for the Issue in accordance with Regulation 106M (1) and other provision of Chapter XB of SEBI (ICDR) Regulations as the post –issue face value capital does not exceed Rs.1000 Lacs. Company also complies with the eligibility conditions laid by the SME Platform of BSE for listing of our Equity Shares.

2.3 Types of Public Issues – Fixed Price Issues and Book Built Issues

In accordance with the provisions of the SEBI ICDR Regulations, 2009, an Issuer can either determine the Issue Price through the Book Building Process (**“Book Built Issue”**) or undertake a Fixed Price Issue (**“Fixed Price Issue”**). An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in this Draft Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the Bid/Issue Opening Date, in case of an IPO and at least one Working Day before the Bid/Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities.

Applicants should refer to the Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

2.4 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 Application Form and Abridged Prospectus or Prospectus for details of the Issue Period. Details of Issue Period are also available on the website of Stock Exchange.

2.5 Migration To Main Board

SME Issuer may migrate to the Main Board of Stock Exchange from the SME Exchange at a later date subject to the following:

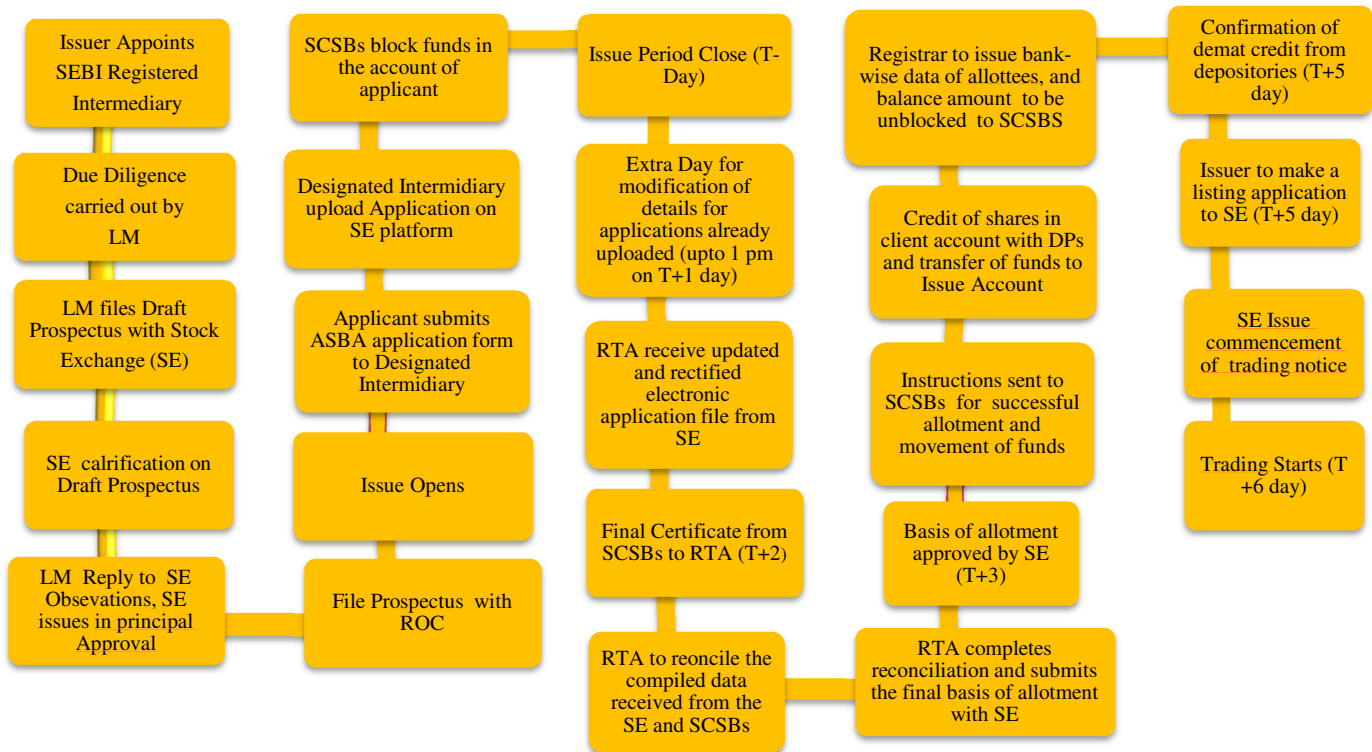
- a) If the Paid up Capital of the Company is likely to increase above Rs. 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), The Company shall apply to SE for listing of its shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

If the Paid up Capital of the company is more than 10 crores but below Rs. 25 crores, the Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

2.6 Flowchart Of Timelines

A flow chart of process flow in Fixed Price Issues is as follows:



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 Bidders/Applicants, such as NRIs, FII's, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. 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) or in the names of minors as natural / legal guardian;
- Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder/Applicant should specify that the Application is being made in the name of the HUF in the Application Form as follows: "Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Applications by HUFs may be considered at par with those from individuals;
- Companies, corporate bodies and societies registered under applicable law in India and authorized to invest in equity shares under their respective constitutional and charter documents;
- Mutual Funds registered with SEBI;
- Eligible NRIs on a repatriation basis or on a non-repatriation basis subject to applicable law; NRIs other than Eligible NRIs are not eligible to participate in this Issue.
- Indian Financial Institutions, scheduled commercial banks 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, VCFs and FVCIs registered with SEBI.
- Limited liability partnerships registered in India and authorized to invest in equity shares.
- State Industrial Development Corporations.
- Trusts/societies registered under the Societies Registration Act, 1860, as amended or under any other law relating to trusts/societies and who are authorized under their respective constitutions to hold and invest in equity shares;

- Scientific and/ or Industrial Research Organizations authorized to invest in equity shares.
- Insurance Companies registered with IRDA;
- Provident Funds and Pension Funds with minimum corpus of Rs. 2500 Lakhs and who are authorized under their constitution to hold and invest in equity shares;
- Multilateral and Bilateral Development Financial Institutions;
- National Investment Fund set up by resolution no F.No.2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- Insurance funds set up and managed by army, navy, air force of the Union of India or by Department of Posts, India;
- Any other person eligible to apply to this 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

Fixed Price Issue: Applicants should only use the specified Application Form either bearing the stamp of Designated Intermediaries as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the registered office of the Issuer, and office of the RTA and at the office of the LM. For further details regarding availability of Application Forms, Applicants may refer to the Prospectus.

Applicants should ensure that they apply in the appropriate category. The prescribed color of the Application Form for various categories of Applicants is as follows:

Category	Color of the Application*
Resident Indian, Eligible NRIs applying on a non -repatriation basis	White
NRIs, FVCIs, FIIs, their Sub-Accounts (other than Sub-Accounts which are foreign corporate(s) or foreign individuals bidding under the QIB), FPIs on a repatriation basis	Blue

* *Excluding electronic Application Form*

Securities Issued in an IPO can only be in dematerialized form in compliance with Section 29 of the Companies Act, 2013. Applicants will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities rematerialized subsequent to allotment.

4.1 Instructions For Filing Application Form/ Application Form (Fixed Price Issue)

Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the Prospectus and Application Form are liable to be rejected.

Instructions to fill each field of the Application Form can be found on the reverse side of the Application Form. Specific instructions for filling various fields of the Resident Application Form and Non-Resident Application Form and samples are provided below.

The samples of the Application Form for resident Applicants and the Application Form for non-resident Applicants are reproduced below:

COMMON BID CUM APPLICATION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - R	FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS
	Address : Contact Details: CIN No.	
LOGO	TO, THE BOARD OF DIRECTORS XYZ LIMITED	<div style="border: 1px solid black; padding: 2px; display: inline-block;">BOOK BUILT ISSUE</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">ISIN :</div>
		Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER Mr. / Ms. Address Email Tel. No (with STD code) / Mobile
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	ESCROW BANK/SCSB BRANCH STAMP & CODE	
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.	

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL For NSDL, enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID	6. INVESTOR STATUS <input type="checkbox"/> Individual(s) - IND <input type="checkbox"/> Hindu Undivided Family* - HUF <input type="checkbox"/> Bodies Corporate - CO <input type="checkbox"/> Banks & Financial Institutions - FI <input type="checkbox"/> Mutual Funds - MF <input type="checkbox"/> Non-Resident Indians - NRI (Non-Repatriation basis) <input type="checkbox"/> National Investment Fund - NIF <input type="checkbox"/> Insurance Funds - IF <input type="checkbox"/> Insurance Companies - IC <input type="checkbox"/> Venture Capital Funds - VCF <input type="checkbox"/> Alternative Investment Funds - AIF <input type="checkbox"/> Others (Please specify) - OTH																							
4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF") <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2">Bid Option:</th> <th rowspan="2">No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)</th> <th colspan="3">Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)</th> </tr> <tr> <th>Bid Price</th> <th>Retail Discount</th> <th>Net Price</th> </tr> </thead> <tbody> <tr> <td>Option 1</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>(OR) Option 2</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>(OR) Option 3</td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Bid Option:	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)			Bid Price	Retail Discount	Net Price	Option 1					(OR) Option 2					(OR) Option 3					5. CATEGORY <input type="checkbox"/> Retail Individual Bidder <input type="checkbox"/> Non-Institutional Bidder <input type="checkbox"/> QIB <small>* HUF should apply only through Karna (Application by HUF would be treated on par with Individual)</small>
Bid Option:			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)																				
	Bid Price	Retail Discount		Net Price																				
Option 1																								
(OR) Option 2																								
(OR) Option 3																								

7. PAYMENT DETAILS Amount paid (₹ in figures) (₹ in words) _____ ASBA Bank A/c No. Bank Name & Branch 	PAYMENT OPTION : FULL PAYMENT <input type="checkbox"/> PART PAYMENT <input type="checkbox"/>
<small>I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABREBIO PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE "BIDDERS UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.</small>	

8A. SIGNATURE OF SOLE / FIRST BIDDER <div style="border: 1px solid black; height: 40px; width: 100%;"></div> Date : _____	8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) <small>I/We authorize the SCSB to do all acts as are necessary to make the Application in the line</small> 1) _____ 2) _____ 3) _____	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system) <div style="border: 1px solid black; height: 40px; width: 100%;"></div>
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LOGO	XYZ LIMITED	Acknowledgement Slip for Broker/SCSB/DP/RTA	Bid cum Application Form No.
	INITIAL PUBLIC ISSUE - R		

DPID / CLID		PAN of Sole / First Bidder
Amount paid (₹ in figures)	Bank & Branch	Stamp & Signature of SCSB Branch
ASBA Bank A/c No.		
Received from Mr./Ms.		
Telephone / Mobile	Email	

TEAR HERE	XYZ LIMITED - INITIAL PUBLIC ISSUE - R <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th>Option 1</th> <th>Option 2</th> <th>Option 3</th> </tr> </thead> <tbody> <tr> <td>No. of Equity Shares</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Bid Price</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Amount Paid (₹)</td> <td></td> <td></td> <td></td> </tr> <tr> <td>ASBA Bank A/c No.</td> <td colspan="3"></td> </tr> <tr> <td>Bank & Branch</td> <td colspan="3"></td> </tr> </tbody> </table>		Option 1	Option 2	Option 3	No. of Equity Shares				Bid Price				Amount Paid (₹)				ASBA Bank A/c No.				Bank & Branch				Name of Sole / First Bidder Acknowledgement Slip for Bidder Bid cum Application Form No.
	Option 1	Option 2	Option 3																							
No. of Equity Shares																										
Bid Price																										
Amount Paid (₹)																										
ASBA Bank A/c No.																										
Bank & Branch																										

COMMON BID CUM APPLICATION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - NR	For Eligible NRI, FI, FVCI, applying on Registration Basis
Address / Contact Details	CIN No	
TO, THE BOARD OF DIRECTORS XYZ LIMITED	FIXED PRICE GME ISSUE INE00000000000	Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER
		Mr. / Ms. _____
		Address _____
		Email _____
		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																																		
4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")																																		
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2">Bid Options</th> <th rowspan="2">No. of Equity Shares Bid (In Figures) (Bid must be in multiples of Bid Lot as advertised)</th> <th colspan="3">Price per Equity Share (₹) - "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)</th> <th rowspan="2">Cut-off (Please tick)</th> <th rowspan="2">5. CATEGORY</th> </tr> <tr> <th>Bid Price</th> <th>Retail Discount</th> <th>Net Price</th> </tr> </thead> <tbody> <tr> <td>Option 1</td> <td></td> <td></td> <td></td> <td></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/> Retail Investor Bidder</td> </tr> <tr> <td>(OR) Option 2</td> <td></td> <td></td> <td></td> <td></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/> Non-Institutional Bidder</td> </tr> <tr> <td>(OR) Option 3</td> <td></td> <td></td> <td></td> <td></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/> QIB</td> </tr> </tbody> </table>						Bid Options	No. of Equity Shares Bid (In Figures) (Bid must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹) - "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)			Cut-off (Please tick)	5. CATEGORY	Bid Price	Retail Discount	Net Price	Option 1					<input type="checkbox"/>	<input type="checkbox"/> Retail Investor Bidder	(OR) Option 2					<input type="checkbox"/>	<input type="checkbox"/> Non-Institutional Bidder	(OR) Option 3				
Bid Options	No. of Equity Shares Bid (In Figures) (Bid must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹) - "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)			Cut-off (Please tick)			5. CATEGORY																										
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Option 1					<input type="checkbox"/>	<input type="checkbox"/> Retail Investor Bidder																												
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(OR) Option 3					<input type="checkbox"/>	<input type="checkbox"/> QIB																												

7. PAYMENT DETAILS		PAYMENT OPTION : FULL PAY
Amount paid (₹ in figures)		(₹ in words)
ASBA Bank A/c No.		
Bank Name & Branch		

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ADDENDUM PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE "BIDDERS UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.

8A. SIGNATURE OF SOLE / FIRST BIDDER	8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
	I/We authorize the SCSB to do all acts as are necessary to make the Application in the line	
Date :	1) _____ 2) _____ 3) _____	

TEAR HERE

LOGO	XYZ LIMITED INITIAL PUBLIC ISSUE - NR	Acknowledgement Slip for Broker/SCSB/ DP/RTA	Bid cum Application Form No.
DPID / CLID			PAN of Sole / First Bidder
Amount paid (₹ in figures)	Bank & Branch	Stamp & Signature of SCSB Branch	
ASBA Bank A/c No.			
Received from Mr./Ms.			
Telephone / Mobile	Email		

TEAR HERE

XYZ LIMITED - INITIAL PUBLIC ISSUE - NR	Option 1	Option 2	Option 3	Stamp & Signature of Broker / SCSB / DP / RTA	Name of Sole / First Bidder
	No. of Equity Shares				
	Bid Price				
	Amount Paid (₹)				
	ASBA Bank A/c No.				
Bank & Branch					Acknowledgement Slip for Bidder
					Bid cum Application Form No.

4.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/FIRST APPLICANT

Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

- a) **Mandatory Fields:** 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 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 Application Form may be used by the Issuer,
- b) The Designated Intermediaries and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.
- c) **Joint 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.”
- 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 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 Applications on behalf of the Central or State Government, Applications by officials appointed by the courts and 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 Application Form, irrespective of the Application Amount. An Application Form without PAN, except in case of Exempted Applicants, is liable to be rejected. 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) 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 Application Form. The DP ID and Client ID provided in the Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Application Form is liable to be rejected.**
- b) Applicants should ensure that the beneficiary account provided in the Application Form is active.
- c) Applicants should note that on the basis of DP ID and Client ID as provided in the 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: APPLICATION DETAILS

- a) The Issuer may mention Price in the Prospectus. However, a Prospectus registered with RoC contains one price.
- b) Minimum and Maximum Application Size
 - i. For Retails Individual Applicants
The Application must be for a minimum of 4000 equity shares. As the application price payable by the retail individual applicants cannot exceed Rs. 200000 they can make Application for only minimum Application size i.e. for 4000 equity shares.
 - ii. For Other Applicants (Non Institutional Applicants and QIBs):

The Application must be for a minimum of such number of equity shares such that the Application Amount exceeds Rs. 200000 and in multiples of 4000 equity shares thereafter. An application cannot be submitted for more than the Issue Size. However, the maximum application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application at any stage after Application and are required to pay the Application Amount upon submission of the Application. In case of revision of Applications, the Non Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs. 200000 for being considered for allocation in the Non Institutional Portion. Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of equity shares that can be held by them under prescribed law or regulation or as specified in this Prospectus.
- c) **Multiple Applications:** An applicant should submit only one Application Form. Submission of a second Application Form to either the same or to the Designated Intermediaries and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.
- d) Applicants are requested to note the following procedures may be followed by the Registrar to the issue to detect multiple applications:
 - i. All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds and PFI sub-accounts, applications bearing the same PAN may be treated as multiple applications by an Applicant and may be rejected.
 - ii. For applications from Mutual Funds and FPI sub-accounts, submitted under the same PAN, as well as Applications on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client

ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.

- e) The following applications may not be treated as multiple applications:
 - i. Application by Reserved Categories in their respective reservation portion as well as that made by them in the Net Issue portion in public category.
 - ii. Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Application clearly indicates the scheme for which the application has been made.
 - iii. Application by Mutual Funds, and sub-accounts of FPIs (or FPIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs, and DP IDs.

4.1.5 FIELD NUMBER 5: CATEGORY OF APPLICANTS

- a) The categories of Applicants identified as per the SEBI ICDR Regulations, 2009 for the purpose of Application, allocation and allotment in the Issue are RIIs, Individual applicants other than RIIs, 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 as permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, Applicants may refer to the Prospectus.
- c) The SEBI ICDR Regulations, 2009, specify the allocation or allotment that may be made to various categories of Applicants in an Issue depending upon compliance with the eligibility conditions. For details pertaining to allocation and 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, FIIs, FPIs and FVCIs may not be allowed to 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 Application Form and Non-Resident 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) All Applicants are required to use ASBA facility to block the full Amount (net of any Discount, as applicable) along-with the Application Form. If the Discount is applicable in the Issue, the RIIs should indicate the full Amount in the Application Form and the funds shall be blocked for 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 Applicant.
- b) All categories of investors can participate in the Issue only through ASBA mechanism.
- c) Application Amount cannot be paid in cash, through money order or through postal order or through stock invest.

4.1.7.1 Payment instructions for Applicants

- (a) Applicants may submit the Application Form either in physical mode or online mode to any Designated Intermediaries.
- (b) Applicants should specify the Bank Account number in the Application Form. The application form submitted by an applicant and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, may not be accepted.

- (c) Applicant should ensure that the Application Form is also signed by the ASBA Account holder(s) if the Applicant is not the ASBA Account holder;
- (d) Applicant shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.
- (e) From one ASBA Account, a maximum of five Application Forms can be submitted.
- (f) Applicants applying through a member of the Syndicate should ensure that the Application Form is submitted to a member of the Syndicate only at the Specified Locations. Applicants should also note that Application Forms submitted to the Syndicate at the Specified Locations may not be accepted by the member of the Syndicate if the SCSB where the ASBA Account, as specified in the Application Form, is maintained has not named at least one branch at that location for the members of the Syndicate to deposit Application Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>).
- (g) Applicants applying through a Registered Broker, RTA or CDP should note that Application Forms submitted to them may not be accepted, if the SCSB where the ASBA Account, as specified in Application Form, is maintained has not named at least one branch at that location for the Registered Brokers, RTA or CDP, as the case may be, to deposit Application Forms.
- (h) ASBA Applicant applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- (i) Upon receipt of Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.
- (j) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form may upload the details on the Stock Exchange Platform.
- (k) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Applications on the Stock Exchange platform and such Applications are liable to be rejected.
- (l) Upon submission of a completed Application Form each Applicant may be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs.
- (m) The Application Amount may remain blocked in the aforesaid ASBA Account until finalization of the Basis of allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Application, as the case may be.
- (n) SCSBs applying in the Issue must apply through an Account maintained with any other SCSB; else their Application is liable to be rejected.

4.1.8 Unblocking of ASBA Account

- a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted, if any, against each Application, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Application, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected/ non allotment / partial allotment ASBA Application, if any, along with reasons for rejection and details of withdrawn or unsuccessful Application, if any, to enable the SCSBs to unblock the respective bank accounts.
- b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful Application to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.

In the event of withdrawal or rejection of the Application Form and for unsuccessful Application, the Registrar to the Issue may give instructions to the SCSB to unblock the Application Amount in the relevant ASBA Account within 6 Working Days of the Issue Closing Date.

4.1.8.1 Discount (if applicable)

- a) The Discount is stated in absolute rupee terms.
- b) RII, Employees and Retail Individual Shareholders are only eligible for discount. For Discounts offered in the Issue, Applicants may refer to the Prospectus.
- c) For the Applicants entitled to the applicable Discount in the Issue the Application Amount less Discount (if applicable) shall be blocked.

4.1.8.2 Additional Instructions for NRIs

The Non-Resident Indians who intend to block funds in their Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of Application by NRIs applying on a repatriation basis, blocking of funds in their NRO account shall not be accepted.

4.1.9 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS

- a) Only the First Applicant is required to sign the Application Form. Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- b) If the ASBA Account is held by a person or persons other than the Applicant, then the Signature of the ASBA Account holder(s) is also required.
- c) In relation to the Applications, signature has to be correctly affixed in the authorization/undertaking box in the Application Form, or an authorization has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form.
- d) Applicants must note that Application Form without signature of Applicant and /or ASBA Account holder is liable to be rejected.

4.1.10 ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

Applicants should ensure that they receive the acknowledgment duly signed and stamped by the Designated Intermediary, as applicable, for submission of the Application Form.

- a) All communications in connection with Applications made in the Issue should be addressed as under:
 - i. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, unblocking of funds, the Applicants should contact the Registrar to the Issue.
 - ii. In case of Applications submitted to the Designated Branches of the SCSBs or Registered Brokers or Registered RTA/DP, the Applicants should contact the relevant Designated Branch of the SCSB or Registered Brokers or Registered RTA/DP, as the case maybe.
 - iii. Applicant may contact the Company Secretary and Compliance Officer or LM(s) in case of any other complaints in relation to the Issue.
- b) The following details (as applicable) should be quoted while making any queries –
 - i. Full name of the sole or Applicant, Application Form number, Applicants' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on application.
 - ii. name and address of the Designated Intermediary, where the Application was submitted; or
 - iii. In case of ASBA Applications, ASBA Account number in which the amount equivalent to the Application Amount was blocked.

For further details, Applicant may refer to the Prospectus and the Application Form.

4.2 INSTRUCTIONS FOR FILING THE REVISION FORM

- a) During the Issue Period, any Applicant (other than QIBs and NIIs, who can only revise their application upwards) who has registered his or her interest in the Equity Shares at a particular number of shares is free to revise number of shares applied using revision forms available separately.
- b) RII may revise their bids or withdraw their Bids till the 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 Issue Period. However, for any revision(s) in the Application, the Applicants will have to use the services of the same Designated Intermediary through which such Applicant had placed the original Application.

A sample Revision form is reproduced below:

COMMON BID REVISION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - R Address : Contact Details: CIN No.	FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs, AND ELIGIBLE NRIs, APPLYING ON A NON-REPATRIATION BASIS
LOGO	TO, THE BOARD OF DIRECTORS XYZ LIMITED	<div style="border: 1px solid black; padding: 2px; display: inline-block;">BOOK BUILT ISSUE</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">ISIN :</div>
		Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER
		Mr. / Ms. Address Email Tel. No (with STD code) / Mobile
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	ESCROW BANK/SCSB BRANCH STAMP & CODE	2. PAN OF SOLE / FIRST BIDDER
	
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.	3. BIDDER'S DEPOSITORY ACCOUNT DETAILS
	 <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL
For NSDL, enter 8 digit DP ID followed by 8 digit Client ID / For CDSL, enter 16 digit Client ID		

PLEASE CHANGE MY BID												
4. FROM (AS PER LAST BID OR REVISION)												
Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised)								Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only)			
	(In Figures)								(In Figures)			
	8	7	6	5	4	3	2	1	Bid Price	Retail Discount	Net Price	"Cut-off" (Please ✓/tick)
Option 1												
(OR) Option 2												
(OR) Option 3												
5. TO (Revised Bid) (Only Retail Individual Bidders can Bid at "Cut-off")												
Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised)								Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only)			
	(In Figures)								(In Figures)			
	8	7	6	5	4	3	2	1	Bid Price	Retail Discount	Net Price	"Cut-off" (Please ✓/tick)
Option 1												
(OR) Option 2												
(OR) Option 3												

6. PAYMENT DETAILS										PAYMENT OPTION : FULL PAYMENT <input type="checkbox"/> PART PAYMENT <input type="checkbox"/>	
Additional Amount Paid (₹ in figures) (₹ in words)											
ASBA Bank A/c No.											
Bank Name & Branch											
I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID REVISION FORM AND THE ATTACHED ABBREVED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES (GID) AND HEREBY AGREE AND CONSENT THE "BIDDERS UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID REVISION FORM GIVEN OVERLEAF.											
7A. SIGNATURE OF SOLE / FIRST BIDDER				7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS)				BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)			
Date :				I/We authorize the SCSB to do all acts as are necessary to make the Application in the line: 1) 2) 3)							

LOGO	XYZ LIMITED	Acknowledgement Slip for Broker/SCSB/DP/RTA	Bid cum Application Form No.
	BID REVISION FORM - INITIAL PUBLIC ISSUE - R		

DPID / CLID	PAN of Sole / First Bidder	
Additional Amount Paid (₹)	Bank & Branch	Stamp & Signature of SCSB Branch
ASBA Bank A/c No.		
Received from Mr./Ms.		
Telephone / Mobile	Email	

XYZ LIMITED - BID REVISION FORM - INITIAL PUBLIC ISSUE - 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>Additional Amount Paid (₹)</td> <td></td> <td></td> </tr> <tr> <td>ASBA Bank A/c No.</td> <td></td> <td></td> </tr> <tr> <td>Bank & Branch</td> <td></td> <td></td> </tr> </table>	Option 1	Option 2	Option 3	No. of Equity Shares			Bid Price			Additional Amount Paid (₹)			ASBA Bank A/c No.			Bank & Branch			Stamp & Signature of Broker / SCSB / DP / RTA Name of Sole / First Bidder Acknowledgement Slip for Bidder Bid cum Application Form No.
Option 1	Option 2	Option 3																		
No. of Equity Shares																				
Bid Price																				
Additional Amount Paid (₹)																				
ASBA Bank A/c No.																				
Bank & Branch																				

4.2.1 FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST APPLICANT, PAN OF SOLE/FIRST APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE APPLICANT

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.2.2 FIELD 4 & 5: BID OPTIONS REVISION 'FROM' AND 'TO'

- a) Apart from mentioning the revised options in the Revision Form, the Applicant must also mention the details of the share applied for given in his or her Application Form or earlier Revision Form.
- b) In case of revision of Applications by RIIs, Employees and Retail Individual Shareholders, such Applicants should ensure that the Application Amount, should not exceed Rs.2,00,000/- due to revision and the application may be considered, subject to the eligibility, for allocation under the Non-Institutional Category.

4.2.3 FIELD 6: PAYMENT DETAILS

Applicant may Issue instructions to block the revised amount in the ASBA Account, to the Designated Branch through whom such Applicant had placed the original Application to enable the relevant SCSB to block the additional Application Amount, if any.

4.2.4 FIELDS 7: SIGNATURES AND ACKNOWLEDGEMENTS

Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

4.3 SUBMISSION OF REVISION FORM/APPLICATION FORM

Applicants may submit completed application form / Revision Form in the following manner: -

Mode of Application	Submission of Application Form
All Investor Applications	To the Designated Intermediaries

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode respectively

SECTION 5: ISSUE PROCEDURE IN FIXED PRICE ISSUE

5.1 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 Designated Intermediary.

Applicants may submit an Application Form either in physical/ electronic form to Designated Intermediaries or the Designated Branches of the SCSBs authorizing blocking of funds that are available in the bank account specified in the Application Form only ("ASBA Account"). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Issue Opening Date.

In a fixed price Issue, allocation in the net offer 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.

5.2 GROUNDS FOR TECHNICAL REJECTIONS

Applicants are advised to note that the Applications are liable to be rejected, inter-alia, on the following technical grounds: -

- Amount paid does not tally with the amount payable for the Equity shares applied for;
- In case of partnership firms, Application for Equity Shares made in the name of the individual partners and no firm as such shall be entitled to apply.
- Application by persons not competent to contract under the Indian Contract Act, 1872, including minors, insane person.
- PAN not mentioned in the Application Form.
- GIR number furnished instead of PAN.
- Applications for lower number of Equity Shares than the minimum specified for that category of investors;

- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of 4000;
- Category not ticked;
- Multiple Applications as defined in this Prospectus as such, based on common PAN;
- In case of Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not being submitted;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicants within the time prescribed as per the Application Form, Issue Opening Date advertisement and Prospectus as per the instructions in the Prospectus and Application Forms;
- In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US person other than in reliance on Regulation S or “qualified institutional buyers” as defined in Rule 144A under the Securities Act;
- Application not duly signed by the sole applicant;
- Application by any person outside India if not in compliance with applicable foreign and Indian Laws;
- Application that do not comply with the securities laws of their respective jurisdictions are liable to be rejected.
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Application by person not eligible to acquire equity shares of the company in terms of all applicable laws, rules, regulations, guidelines, and approvals.
- Application or revision thereof by QIB Applicants, Non Institutional Applicants where the Application Amount is in excess of Rs. 200000 received after 3.00 pm on the issue Closing date unless the extended time is permitted by BSE.
- Inadequate funds in the bank account to block the Application Amount specified in the Application Form/Application Form at the time of blocking such Application Amount in the bank account;
- Where no confirmation is received from SCSB for blocking of funds;
- Applications by Applicants not submitted through ASBA process;
- Applications not uploaded on the terminals of the Stock Exchanges; and
- 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 Application Form.
- Details of ASBA Account not provided in the Application form
- From one ASBA Account, more than five applications are made by applicant.

For details of instructions in relation to the Application Form, Applicants may refer to the relevant section of GID.

APPLICANT SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGE BY THE BROKERS DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE APPLICATION FORM IS LIABLE TO BE REJECTED.

SECTION 6: ISSUE PROCEDURE IN BOOK BUILT ISSUE

This being the Fixed Price Issue this section is not applicable for this Issue.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

7.1 Basis of Allotment

Allotment will be made in consultation with SME Platform of BSE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

- a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).

- b) The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
- c) For applications where the proportionate allotment works out to less than 4000 Equity Shares the allotment will be made as follows:
 - i. Each successful applicant shall be allotted 4000 Equity Shares;
 - ii. The successful applicants out of the total applicants for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
- d) If the proportionate allotment to an applicant works out to a number that is not a multiple of 4000 Equity Shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of 4000 Equity Shares subject to a minimum allotment of 4000 Equity Shares.
- e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the lower nearest multiple of 4000 Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, upto 110% of the size of the offer specified under the Capital Structure mentioned in this Prospectus.
- f) The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for Retail Individual applicants as described below:
 - i. As per Regulation 43(4) of the SEBI (ICDR) Regulations, as the Retail Individual Investor category is entitled to more than fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
 - ii. Remaining to Individual applicants other than retail individual investors and Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
 - iii. The unsubscribed portion in either of the categories specified in (a) or (b) above may be available for allocation to the applicants in the other category, if so required.

'Retail Individual Investor' means an investor who applies for shares of value of not more than Rs. 2,00,000. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with SME Platform of BSE.

The Executive Director/ Managing Director of the SME Platform of BSE, Designated Stock Exchange in addition to Lead Merchant Banker and Registrar to the Public Offer shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2009.

7.2 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

- a) **Designated Date:** On the Designated Date, the SCSBs shall transfer the funds represented by allocation of Equity Shares into the Public Issue Account with the Bankers to the Issue.
- b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. 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) initiate corporate action for credit of shares to the successful Applicants Depository Account will be completed within 5 Working Days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Applicant's depository account is completed within 5 Working Days of the 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 6 Working Days of the Issue Closing Date. The Registrar to the Issue may give instructions for credit to Equity Shares the beneficiary account with DPs, and dispatch the Allotment Advice within 6 Working Days of the Issue Closing Date.

8.2 GROUNDS FOR UNBLOCKING OF FUNDS

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 finalized.

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 initiate action to unblock the application amount from the Investors accounts. If such money is not repaid within the eight days after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of eight days, be liable to repay the money, with interest at such rate, as prescribed under Section 73 of Companies Act, and disclosed in the Prospectus.

8.2.2 Minimum Subscription

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten.

As per Section 39 of Companies Act, 2013 if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If our company does not receive the 100% subscription of the offer through the Offer Document including devolvment of underwriters, if any, within sixty (60) days from the date of closure of the issue, our company shall forthwith unblocked the entire application amount received. If there is a delay beyond eighty days after our company becomes liable to pay the amount, our company and every officer in default will, on and from the expiry of this period be jointly and severally liable to repay the money, with interest or other penalty as prescribed under SEBI Regulations and the Companies Act, 2013.

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50 no allotment will be made pursuant to this Issue and the amounts in the ASBA Account shall be unblocked within 6 working days of closure of the issue.

Further in accordance with Regulation 106(Q) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than Rs.100000/- (Rupees One Lakh) per application.

The equity shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance without the applicable laws of such jurisdiction.

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 50 failing which the entire application monies may be unblocked forthwith.

8.3 Mode of Unblocking of Funds

Within 6 Working Days of the Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Application and also for any excess amount blocked on Application.

8.3.1 Mode of making refunds for Applicants

The Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA applications or in the event of withdrawal or failure of the Issue.

8.4 Interest In Case Of Delay in Allotment

The Issuer may pay interest at the rate of 15% per annum if 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 Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 6 working days from the 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
Allottee	An Applicant to whom the Equity Shares are Allotted
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
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)/ASBA	An application, whether physical or electronic, used by Applicants to make a Application authorizing an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Application Amount of the ASBA Applicant
ASBA Application	An Application made by an ASBA Applicant
Applicant	Prospective Applicants in the Issue who apply through ASBA
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful Applicants under the Issue
Bid	The date after which the SCSBs may not accept any application for the Issue, which may be 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 Issue Closing Date
Issue Closing Date	The date on which the SCSBs may start accepting application 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 Issue Opening Date
Issue Opening Date	The date on which the SCSBs may start accepting application 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 Issue Opening Date

Term	Description
Issue Period	Except in the case of Anchor Investors (if applicable), the period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants (other than Anchor Investors) can submit their Application, inclusive of any revisions thereof. The Issuer may consider closing the Issue Period for QIBs one working day prior to the Issue Closing Date in accordance with the SEBI ICDR Regulations, 2009. Applicants may refer to the Prospectus for the Issue Period
Application Amount	The value indicated in the Application Form and payable by the Applicant upon submission of the Application (except for Anchor Investors), less discounts (if applicable).
Application Form	The form in terms of which the Applicant should make an offer to subscribe for or purchase the Equity Shares and which may be considered as the application for Allotment for the purposes of the Prospectus, whether applying through the ASBA or otherwise.
Applicant	Any prospective investor (including an ASBA Applicant) who makes an Application pursuant to the terms of the Prospectus and the Application Form. In case of issues undertaken through the fixed price process, all references to an 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,
Broker Centers	Broker Centers notified by the Stock Exchanges, where Applicants can submit the Application Form to a Registered Broker. The details of such broker centers, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchanges.
Lead Manager/ LM	The Lead Manager to the Issue as disclosed in the Prospectus and the Application Form of the Issuer.
Business Day	Monday to Friday (except 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
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
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 Application Forms used by the ASBA Applicants applying through the ASBA and a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries .

Term	Description
Designated CDP Locations	Such locations of the CDPs where Applicant 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 i.e. www.bseindia.com
Designated RTA Locations	Such locations of the RTAs where Applicant can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. www.bseindia.com
Designated Date	The date on or after which funds are transferred by the SCSBs to the Public Issue Account of the Issuer.
Designated Stock Exchange	The designated stock exchange as disclosed in the Prospectus of the Issuer
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
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 Stock Exchange in case of Fixed Price Issues and which may mention a price
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 Prospectus
Equity Shares	Equity shares of the Issuer
FCNR Account	Foreign Currency Non-Resident Account
First Applicant	The Applicant whose name appears first in the Application Form or Revision Form
FII(s)	Foreign Institutional Investors as defined under the SEBI (Foreign Institutional Investors) Regulations, 1995 and registered with SEBI under applicable laws in India
Fixed Price Issue/Fixed Price Process/Fixed Price Method	The Fixed Price process as provided under SEBI ICDR Regulations, 2009, in terms of which the Issue is being made
FPIs	Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
FPO	Further public offering
Foreign Venture Capital Investors or FVCIs	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000
IPO	Initial public offering
Issue	Public Issue of Equity Shares of the Issuer including the Offer for Sale if applicable
Issuer/ Company	The Issuer proposing the initial public offering/further public offering as applicable

Term	Description
Issue Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted in terms of the Prospectus. The Issue Price may be decided by the Issuer in consultation with the Lead Manager(s)
Maximum RII Allottees	The maximum number of RIIs who can be allotted the minimum Application Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Application 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
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the 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 corporate or foreign individuals and FPIs which are Category III foreign portfolio investors, that are not QIBs or RIBs and who have Applied for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Category	The portion of the Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the Prospectus and the Application Form
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FIIs, FPIs and FVCIs
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 for Sale	Public offer of such number of Equity Shares as disclosed in the Prospectus through an offer for sale by the Selling Shareholder
Other Investors	Investors other than Retail Individual Investors in a Fixed Price Issue. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Pricing Date	The date on which the Issuer in consultation with the Book Running Lead Manager(s), finalize the Issue Price
Prospectus	The prospectus to be filed with the RoC in accordance with Section 32 of the Companies Act, 2013 read with section 26 of Companies Act 2013 after the Pricing Date, containing the Issue Price, the size of the Issue and certain other information

Term	Description
Public Issue Account	An account opened with the Banker to the Issue to receive monies 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
RTA	Registrar to the Issue and Share Transfer Agent
Registered Broker	Stock Brokers registered with the Stock Exchanges having nationwide terminals, other than the members of the Syndicate
Registrar to the Issue/RTI	The Registrar to the Issue as disclosed in the Prospectus and 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 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.
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, subject to availability in RII category and the remaining shares to be allotted on proportionate basis.
Revision Form	The form used by the Applicant in an issue to modify the quantity of Equity Shares indicates therein in any of their Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI ICDR Regulations, 2009	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
Self-Certified Syndicate Bank(s) or SCSB(s)	A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
Specified Locations	Refer to definition of Broker Centers
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(s) and the Syndicate Member
Syndicate Agreement	The agreement to be entered into among the Issuer, and the Syndicate in relation to collection of the Bids in this Issue (excluding Application from ASBA Applicants)
Syndicate Member(s)/SM	The Syndicate Member(s) as disclosed in the Prospectus
Underwriters	The Lead Manager(s)
Underwriting Agreement	The agreement dated entered into between the Underwriters and our company.

Term	Description
Working Day	Any day, other than 2nd and 4th Saturday of the month, Sundays or public holidays, on which commercial banks in India are open for business, provided however, with reference to announcement Issue Period, “Working Days” shall mean all days, excluding Saturdays, Sundays and public holidays, which are working days for commercial banks in India.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government, the FDI Policy (as defined below) and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are FIPB and the RBI.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("DIPP"), issued consolidated FDI Policy, which with effect from August 28, 2017 consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on August 27, 2017. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, the Consolidation FDI Policy will be valid until the DIPP issues an updated circular.

Subscription by foreign investors (NRIs/FPIs)

FPIs are permitted to subscribe to Equity Shares of an Indian Company in a public Issue without the prior approval of the RBI, so long as the price of the Equity Shares to be issued is not less than the price at which the Equity Shares are issued to residents. SEBI registered FPIs have been permitted to purchase shares of an Indian company through Issue, subject to total FPI investment being within the individual FPI/sub account investment limit of 10 per cent subject to the total sectoral cap of all FPIs/sub-accounts put together being 24 per cent of the paid-up capital of the Indian company.

The transfer of shares between an Indian resident and a Non-resident does not require prior approval of FIPB or RBI, subject to fulfillment of certain conditions as specified by DIPP / RBI, from time to time. Such conditions include (i) the activities of the investee company are under the automatic route under the foreign direct investment ("FDI") Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI. Investors are advised to refer to the exact text of the relevant statutory provisions of law before investing and / or subsequent purchase or sale transaction in the Equity Shares of Our Company.

Representation from the Applicants

No person shall make an application in the Issue, unless such person is eligible to acquire Equity Shares of our Company in accordance with applicable laws, rules, regulations, guidelines and approvals.

Investors that make application under the Issue will be required to confirm and will be deemed to have represented to our Company, the Underwriters, and their respective directors, officers, agents, affiliates and representatives, as applicable, that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not Issue, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

There is no reservation for Non-Residents, NRIs, FPIs, foreign venture capital funds, multi-lateral and bilateral development financial institutions and any other foreign investor. All Non-Residents, NRIs, FPIs and foreign venture capital funds, multi-lateral and bilateral development financial institutions and any other foreign investor applicants will be treated on the same basis with other categories for the purpose of allocation.

As per the existing policy of the Government of India, OCBs also cannot participate in any Public Issue.

The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S promulgated 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 are only being offered and sold outside the United States to certain persons in offshore transactions in compliance with Regulation S under the Securities Act.



Our Company, LM and the Issue Management Team are not making any selling efforts in any jurisdiction outside India.

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

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.

SECTION VIII - MAIN PROVISIONS OF ARTICLES OF ASSOCIATION OF OUR COMPANY

Pursuant to Schedule I of the Companies Act, and the SEBI ICDR Regulations, the Main provisions of the Articles of Association relating to voting rights, dividend, lien, forfeiture, restrictions on transfer and Transmission of equity shares or debentures, their consolidation or splitting are as provided below. Each provision below is numbered as per the corresponding article number in the articles of association and defined terms herein have the meaning given to them in the Articles of Association.

ARTICLE NO.	INTERPRETATION	HEADING
1.	In these Articles unless there be something in the subject matter or context inconsistent therewith:	
i.	“The Act” means the Companies Act, 2013 and the applicable provisions of the Companies Act, 1956 and includes any statutory modification or re-enactment thereof for the time being in force.	The Act
ii.	“Articles” means Articles of Association of the Company as originally framed or altered from time to time	Articles
iii.	“Beneficial Owner” shall have the meaning assigned thereto by Section 2(1) (a) of the Depositories Act, 1996.	Beneficial Owner
iv.	“Board” or “Board of Director” means the Collective body of the Board of Directors of the Company.	Board or Board of Director
v.	“Chairman” means the Chairman of the Board of the Directors of the Company.	Chairman
vi.	“The Company” means Megastar Foods Limited	The Company
vii.	“Depositories Act, 1996” shall mean Depositories Act, 1996 and include any Statutory modification or re-enactment thereof for the time being in force.	Depositories Act, 1996
viii.	“Depository” shall have the meaning assigned thereto by Section 2 (1) (e) of the Depositories Act, 1996.	Depository
ix.	“Directors” mean the Directors for the time being of the Company.	Directors
x.	“Dividend” includes any interim dividend.	Dividend
xi.	“Document” means a document as defined in Section 2 (36) of the Companies Act, 2013.	Document
xii.	“Equity Share Capital” , with reference to any Company limited by shares, means all share capital which is not preference share capital;	Equity Share Capital
xiii.	“KMP” means Key Managerial Personnel of the Company provided as per the relevant sections of the Act.	KMP
xiv.	“Managing Director” means a Director who by virtue or an agreement with the Company or of a resolution passed by the Company in general meeting or by its Board of Directors or by virtue of its Memorandum or Articles of Association is entrusted with substantial powers of management and includes a director occupying the position of managing director, by whatever name called.	Managing Director
xv.	“Month” means Calendar month.	Month
xvi.	“Office” means the registered office for the time being of the Company.	Office
xvii.	“Paid-up share capital” or “share capital paid-up” means such aggregate amount of money credited as paid-up as is equivalent to the amount received as paid up in respect of shares issued and also includes any amount credited as paid-up in respect of shares of the company, but does not include any other amount received in respect of such shares, by whatever name called;	Paid-up share capital
xviii.	“Postal Ballot” means voting by post or through any electronic mode.	Postal Ballot
xix.	“Proxy” includes attorney duly constituted under the power of attorney to vote for a member at a General Meeting of the Company on poll.	Proxy
xx.	“Public Holiday” means a Public Holiday within the meaning of the Negotiable Instruments Act, 1881 (XXVI of 1881); provided that no day declared by the Central Government to be such a holiday shall be deemed to be such a holiday in relation to any meeting unless the declaration was notified before the issue of the notice convening such meeting.	Public Holiday
xxi.	“Registrar” means the Registrar of Companies of the state in which the	Registrar

	Registered Office of the Company is for the time being situated and includes an Additional Registrar a Joint Registrar, a Deputy Registrar or an Assistant Registrar having the duty of registering companies and discharging various functions under this Act.	
	xxii. “Rules” means the applicable rules as prescribed under the relevant sections of the Act for time being in force	Rules
	xxiii. “SEBI” means Securities & Exchange Board of India established under Section 3 of the Securities & Exchange Board of India Act, 1992.	SEBI
	xxiv. “Securities” means the securities as defined in clause (h) of Section 2 of the Securities Contracts (Regulation) Act, 1956 (42 of 1956)	Securities
	xxv. “Share” means share in the Share Capital of the Company and includes stock except where a distinction between stock and share is expressed or implied.	Share
	i. “Preference Share Capital” , with reference to any Company limited by shares, means that part of the issued share capital of the Company which carries or would carry a preferential right with respect to— (a) payment of dividend, either as a fixed amount or an amount calculated at a fixed rate, which may either be free of or subject to income-tax; and (b) repayment, in the case of a winding up or repayment of capital, of the amount of the share capital paid-up or deemed to have been paid-up, whether or not, there is a preferential right to the payment of any fixed premium or premium on any fixed scale, specified in the memorandum or articles of the Company;	Preference Share Capital
	Words imparting the plural number also include, where the context requires or admits, the singular number, and vice versa. Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the Company. ‘In writing’ and ‘written’ includes printing, lithography and other modes of representing or reproducing words in a visible form.	
2.	The Authorized Share Capital of the Company shall be such amount and be divided into such shares as may from time to time be provided in Clause V of the Memorandum of Association with power to increase or reduce the capital and divide the shares in the capital of the Company (including Preferential Share Capital, if any) and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions as may be determined in accordance with these presents and to modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be permitted by the said Act.	Share Capital
3.	Subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit. Further provided that the option or right to call of shares shall not be given to any person except with the sanction of the Company in general meeting.	
4.	Subject to provisions of Section 54 of the Act read with Companies (Share Capital and Debentures) Rules, 2014, the Company may issue Sweat Equity Shares on such terms and in such manner as the Board may determine.	Issue of Sweat Equity Shares
5.	The Company shall have powers to issue any debentures, debenture-stock or other securities at Par, discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending the General Meetings (but not voting on any business to be conducted), appointment of Directors on Board and otherwise Debentures with the right to conversion into or	Issue of Debentures

	allotment of shares shall be issued only with the consent of the company in the General Meeting by a Special Resolution	
6.	<p>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 fifteen days (15) of the application for registration of transfer or transmission or within such other period as the conditions of issue shall be provided,—</p> <p>a. one certificate for all his shares without payment of any charges; or</p> <p>b. several certificates, each for one or more of his shares, upon payment of Rupees twenty for each certificate after the first.</p> <p>ii. The Company agrees to issue certificate within fifteen days of the date of lodgement of transfer, sub-division, consolidation, renewal, exchange or endorsement of calls/allotment monies or to issue within fifteen days of such lodgement for transfer, Pucca Transfer Receipts in denominations corresponding to the market units of trading autographically signed by a responsible official of the Company and bearing an endorsement that the transfer has been duly approved by the Directors or that no such approval is necessary;</p> <p>iii. Every certificate shall be specify the shares to which it relates and the amount paid-up thereon.</p> <p>iv. 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.</p>	Issue of Share Certificates
7.	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.	
8.	Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognise (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.	
9.	The provisions of these Articles relating to issue of Certificates shall mutatis mutandis apply to any other securities including Debentures (except where the Act otherwise requires) of the Company.	
10.	<p>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.</p> <p>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.</p> <p>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.</p>	Power to pay Commission In connection with the Securities issued
11.	i. If at any time the share capital is divided into different classes of shares, the	Variations of

	<p>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.</p> <p>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.</p>	Shareholder's rights
12.	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 paripassu therewith.	
13.	Subject to the provisions of section 55 and 62, any preference shares may with the sanction of 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.	Issue of Preference Shares
14.	<p>(1) Where at any time Company having Share Capital proposes to increase its subscribed capital by the issue of further Shares, such shares shall be offered:</p> <p>(a) to persons who, at the date of the offer, are holders of equity shares of the company in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the conditions specified in the relevant provisions of Section 62 of the Act.</p> <p>(b) to employees under a scheme of employees' stock option, subject to special resolution passed by company and subject to such other conditions as may be prescribed under the relevant rules of Section 62.</p> <p>(c) to any persons, if it is authorized by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b), either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed under the relevant rules of Section 62.</p> <p>(2) The notice shall be dispatched through registered post or speed post or through electronic mode to all the existing shareholders at least three days before the opening of the issue.</p> <p>(3) Nothing in this Article shall apply to the increase of the subscribed capital of company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the company to convert such debentures or loans into shares in the company:</p> <p>Provided that the terms of issue of such debentures or loan containing such an option have been approved, before the issue of such debentures or the raising of loan, by a special resolution passed by the company in general meeting.</p>	Further Issue of shares
15.	<p>i. The Company shall have a first and paramount lien—</p> <p>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</p> <p>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;</p> <p>c. Every fully paid shares shall be free from all lien and that in the case of</p>	Lien

	<p>partly paid shares the Issuer's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares</p> <p>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.</p> <p>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.</p>	
16.	<p>The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:</p> <p>Provided that no sale shall be made—</p> <p>a. unless a sum in respect of which the lien exists is presently payable; or</p> <p>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.</p>	
17.	<p>i. To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.</p> <p>ii. The purchaser shall be registered as the holder of the shares comprised in any such transfer.</p> <p>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.</p>	
18.	<p>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.</p> <p>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.</p>	
19.	<p>Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint-tenants with benefits of survivorship subject to the following and other provisions contained in these Articles:-</p> <p>a) The Company shall at its discretion, be entitled to decline to register more than three persons as the joint-holders of any share.</p> <p>b) The joint-holders of any shares shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.</p> <p>c) On the death of any such joint-holders, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share but the Directors may require such evidence of death as they may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person.</p> <p>d) Any one of such joint-holders may give effectual receipts of any dividends or other moneys payable in respect of such share.</p> <p>e) Only the person whose name stands first in the Register of Members as one of the joint-holders of any share shall be entitled to delivery of the certificate, if any, relating to such share or to receive documents from the Company and any documents served on or sent to such person shall be deemed served on all the joint-holders.</p> <p>f)</p> <p>(i) Any one of the two or more joint-holders may vote at General Meeting either personally or by attorney or by proxy in respect of such shares as if they</p>	Joint Holdings

	<p>were solely entitled hereto and if more than one such joint-holders be present at any meeting personally or by proxy or by attorney then one of such joint holders so present whose name stand first in the Register in respect of such shares shall alone be entitled to vote in respect thereof but the other or others of the joint-holders shall be entitled to vote in preference to a joint-holder present by attorney or by proxy although the name of such joint-holder present by attorney or by proxy stands first in Register in respect of such shares.</p> <p>(ii) Several executors or administrators of a deceased member in whose (deceased member) sole name any share stands, shall for the purpose of this Clause be deemed as Joint-Holders.</p> <p>g) The provisions of these Articles relating to joint-holding of shares shall mutatis mutandis apply to any other securities including Debentures of the company registered in Joint-names.</p>	
20.	<p>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:</p> <p>Provided that no call shall exceed one fourth of the nominal value of the shares or be payable at less than one month from the date fixed for the payment of the last preceding call.</p> <p>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.</p> <p>iii. A call may be revoked or postponed at the discretion of the Board.</p>	Calls on shares
21.	A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments	
22.	The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof	
23.	<p>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.</p> <p>ii. The Board shall be at liberty to waive payment of any such interest wholly or in part.</p>	
24.	<p>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.</p> <p>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</p>	
25.	<p>1. The Board—</p> <p>i. 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</p>	

	<p>ii. 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.</p>	
26.	<p>Any uncalled amount paid in advance shall not in any manner entitle the member so advancing the amount, to any dividend or participation in profit or voting right on such amount remaining to be called, until such amount has been duly called-up.</p> <p>Provided however that any amount paid to the extent called – up, shall be entitled to proportionate dividend and voting right.</p>	
27.	The Board may at its discretion, extend the time fixed for the payment of any call in respect of any one or more members as the Board may deem appropriate in any circumstances.	
28.	The provisions of these Articles relating to call on shares shall mutatis mutandis apply to any other securities including debentures of the company.	
29.	<p>i. The shares or other interest of any member in the Company shall be a movable property, transferable in the manner provided by the Articles.</p> <p>ii. Each share in the Company shall be distinguished by its appropriate number.</p> <p>iii. A Certificate specifying any shares held by any member shall be prima facie evidence of the title of the member of such shares</p>	
30.	<p>i. The instrument of transfer of any share in the Company shall be executed by or on behalf of both the transferor and transferee.</p> <p>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.</p>	
31.	<p>The Board may, subject to the right of appeal conferred by section 58 of Companies Act, 2013 and Section 22A of the Securities Contracts (Regulation) Act, 1956, decline to register, by giving notice of intimation of such refusal to the transferor and transferee within timelines as specified under the Act-</p> <p>i. the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or</p> <p>ii. any transfer of shares on which the Company has a lien.</p> <p>iii. Provided however that the Company will not decline to register or acknowledge any transfer of shares 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.</p>	Transfer of shares
32.	<p>The Board shall decline to recognise any instrument of transfer unless—</p> <p>i. the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;</p> <p>ii. 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 the instrument of transfer is in respect of only one class of shares.</p> <p>Provided that, transfer of shares in whatever lot shall not be refused.</p> <p>iii. The Company agrees that when proper documents are lodged for transfer and there are no material defects in the documents except minor difference in signature of the transferor(s),</p> <p>iv. Then the Company will promptly send to the first transferor an intimation of the aforesaid defect in the documents, and inform the transferor that objection, if any, of the transferor supported by valid proof, is not lodged with the Company within fifteen days of receipt of the Company's letter, then the securities will be transferred;</p> <p>v. If the objection from the transferor with supporting documents is</p>	

	not received within the stipulated period, the Company shall transfer the securities provided the Company does not suspect fraud or forgery in the matter	
33.	The Company agrees that in respect of transfer of shares where the Company has not effected transfer of shares within 1 month or where the Company has failed to communicate to the transferee any valid objection to the transfer within the stipulated time period of 1 month, the Company shall compensate the aggrieved party for the opportunity losses caused during the period of the delay	
34.	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.	
35.	The provisions of these Articles relating to transfer of Shares shall mutatis mutandis apply to any other securities including debentures of the company.	
36.	The Company shall keep a book to be called the "Register of Transfers" and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any shares	Register of Transfers
37.	<p>i. The provisions of this Article shall apply notwithstanding anything to the contrary contained in any other Article of these Articles.</p> <p>a. The Company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form pursuant to the Depository Act, 1996.</p> <p>b. Option for Investors:</p> <p>Every holder of or subscriber to securities of the Company shall have the option to receive security certificates or to hold the securities with a Depository. Such a person who is the beneficial owner of the Securities can at any time opt out of a Depository, if permitted, by the law, in respect of any security in the manner provided by the Depositories Act, 1996 and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required Certificates for the Securities.</p> <p>If a person opts to hold its Security with a Depository, the Company shall intimate such depository the details of allotment of the Security</p> <p>c. Securities in Depository to be in fungible form:-</p> <ul style="list-style-type: none"> o All Securities of the Company held by the Depository shall be dematerialised and be in fungible form. o Nothing contained in Sections 88, 89, 112 & 186 of the Companies Act, 2013 shall apply to a Depository in respect of the Securities of the Company held by it on behalf of the beneficial owners. <p>d. Rights of Depositories & Beneficial Owners:-</p> <p>Notwithstanding anything to the contrary contained in the Act a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of Security of the Company on behalf of the beneficial owner.</p> <p>e. Save as otherwise provided in (d) above, the depository as the registered owner of the Securities shall not have any voting rights or any other rights in respect of the Securities held by it.</p>	Dematerialisation of Securities

	<p>f. 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 the rights and benefits and be subject to all the liabilities in respect of his Securities which are held by a depository.</p> <p>ii. Notwithstanding anything contained in the Act to the contrary, where Securities of the Company are held in a depository, the records of the beneficial ownership may be served by such depository to the Company by means of electronic mode or by delivery of floppies or discs.</p> <p>iii. Nothing contained in Section 56 of the Companies Act, 2013 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.</p> <p>iv. Notwithstanding anything contained in the Act, where Securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.</p> <p>v. Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for Securities issued by the Company shall apply to Securities held with a Depository.</p> <p>vi. The Company shall cause to be kept at its Registered Office or at such other place as may be decided, Register and Index of Members in accordance with Section 88 and other applicable provisions of the Companies Act 2013 and the Depositories Act, 1996 with the details of Shares held in physical and dematerialised forms in any media as may be permitted by law including in any form of electronic media.</p> <p>vii. The Register and Index of beneficial owners maintained by a depository under Section 11 of the Depositories Act, 1996, shall be deemed to be the Register and Index of Members for the purpose of this Act. The Company shall have the power to keep in any state or country outside India, a Register of Members for the residents in that state or Country.</p>	
38.	<p>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 recognised by the Company as having any title to his interest in the shares</p> <p>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.</p>	Transmission of shares
39.	<p>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—</p> <p style="padding-left: 40px;">a. to be registered himself as holder of the share; or</p> <p style="padding-left: 40px;">b. to make such transfer of the share as the deceased or insolvent member could have made.</p> <p>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.</p>	
40.	<p>i. If the person so becoming entitled shall elect to be registered as holder of the</p>	

	<p>share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.</p> <p>ii. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.</p> <p>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.</p>	
41.	<p>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:</p> <p>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.</p>	
42.	<p>The provisions of these Articles relating to transmission of shares shall mutatis mutandis apply to any other securities including debentures of the Company.</p> <p>No fee shall be charged for requisition of transfer, transmission, probate, succession certificate and letter of admiration, Certificate of Death or marriage, power of attorney or similar other documents.</p>	
43.	<p>If a member fails to pay any call, or instalment 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 instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.</p>	Forfeiture of shares
44.	<p>The notice aforesaid shall—</p> <p>i. 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</p> <p>ii. 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.</p>	
45.	<p>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.</p>	
46.	<p>i. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.</p> <p>ii. At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.</p>	
47.	<p>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.</p> <p>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.</p>	
48.	<p>i. A duly verified declaration in writing that the declarant is a director, the</p>	

	<p>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;</p> <p>ii. The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute transfer of the shares in favour of the person to whom the share is sold or disposed off;</p> <p>iii. The transferee shall thereupon be registered as the holder of the share; and</p> <p>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.</p>	
49.	The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share.	
50.	Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the register of members in respect of the shares sold and after his name has been entered in the register of members in respect of such shares the validity of the sale shall not be impeached by any person.	
51.	Upon any sale, re-allotment or other disposal under the provisions of the preceding articles, the certificate(s), if any, originally issued in respect of the relative shares shall (unless the same shall on demand by the company has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto.	
52.	The Board may, subject to the provision of the Act, accept a surrender of any share from or by any member desirous of surrendering them on such terms as they think fit.	
53.	The Provisions of these regulations as to forfeiture shall apply in the case of non-payment 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.	
54.	The provisions of these articles relating to forfeiture of shares shall mutatis mutandis apply to any other securities including debentures of the Company.	
55.	Neither a judgment in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction there under nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from proceeding to enforce forfeiture of such shares as hereinafter provided.	Initial payment not to preclude forfeiture
56.	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.	
57.	<p>Subject to the provisions of section 61, the Company may, by ordinary resolution,—</p> <p>i. consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;</p> <p>ii. convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;</p> <p>iii. sub-divide its existing shares or any of them into shares of smaller amount</p>	Alteration of capital

	<p>than is fixed by the memorandum;</p> <p>iv. 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.</p>	
58.	<p>Where shares are converted into stock,—</p> <p>i. 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:</p> <p>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.</p> <p>ii. 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.</p> <p>iii. Such of the articles 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.</p>	Conversion of Shares into Stock
59.	<p>The Company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—</p> <p>i. its share capital;</p> <p>ii. any capital redemption reserve account; or</p> <p>iii. Any share premium account.</p>	Reduction of Capital
60.	<p>The Company may issue share warrants subject to, and in accordance with, the provisions of the Act, and accordingly the Board may in its discretion, with respect to any share which is fully paid-up, on application in writing signed by the person registered as holder of the share, and authenticated by such evidence (if any) of the share and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require, issue of a share warrant.</p> <p>The bearer of a share warrant may at any time, deposit the warrant in the office of the Company and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company, and of attending and voting and exercising the other privileges of a member at any meeting held after the expiry of two days from the time of deposit, as if his name were inserted in the register of members as the holder of the shares including in the deposited warrants.</p> <p>Not more than one person shall be recognized as depositor of the share warrant.</p> <p>The Company shall, on two days written notice, return the deposited share warrants to the depositor.</p> <p>Subject herein otherwise expressly provided, no person shall, as bearer of a share warrant, sign a requisition for calling a member of the Company or attend or vote or exercise any other privilege of a member at a meeting of the Company, or be entitled to receive any notice from the Company.</p>	Share Warrants

	<p>The bearer of share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the register of members as the holders of shares included in the warrant, and he shall be a member of the Company.</p> <p>The Board may from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant of coupon may be issued by way of renewal in case of defacement, loss or destruction.</p>	
61.	<ul style="list-style-type: none"> i. The Company in general meeting may, upon the recommendation of the Board, resolve— <ul style="list-style-type: none"> 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, 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— <ul style="list-style-type: none"> 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 bonus shares, 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. iii. Allotment or Distribution of Bonus Shares shall not be made to those Members who furnish to the Company in written intimation waiving their entitlement to receive such allotment or distribution of shares credited as fully paid up pursuant to this Article 61 as the case may be, and accordingly the corresponding amount shall not be capitalized. 	Capitalisation of profits
62.	<ul style="list-style-type: none"> i. Whenever such a resolution as aforesaid shall have been passed, the Board shall— <ul style="list-style-type: none"> 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 to do all acts and things required to give effect thereto. ii. The Board shall have power— <ul style="list-style-type: none"> a. to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; 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, 	

	<p>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;</p> <p>iii. Any agreement made under such authority shall be effective and binding on such members.</p>	
63.	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.	Buy-back of shares
64.	All General Meetings other than annual general meeting shall be called extra-ordinary general meetings	General Meeting
65.	<p>i. The Board may, whenever it thinks fit, call an extraordinary general meeting.</p> <p>ii. The General meeting including Annual general meeting shall be convened by giving notice of clear 21 days in advance as per section 101 of Companies Act 2013. The directors if they think fit may convene a General Meeting including Annual General Meeting of the company by giving a notice thereof being not less than three days if consent is given in writing or by electronic mode by not less than ninety-five per cent. of the members entitled to vote at such meeting.</p> <p>iii. 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.</p>	
66.	<p>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.</p> <p>ii.</p> <p>i. Unless the number of members as on date of meeting are not more than one thousand, five members personally present shall be the quorum for a general meeting of the Company.</p> <p>ii. In any other case, the quorum shall be decided as under:</p> <p>a) fifteen members personally present if the number of members as on the date of meeting is more than one thousand but up to five thousand;</p> <p>b) thirty members personally present if the number of members as on the date of the meeting exceeds five thousand;</p>	Proceedings at general meetings
67.	The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the Company	
68.	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.	
69.	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.	
70.	The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.	
71.	A declaration by the Chairman in pursuance of Section 107 of the Companies Act, 2013 that on a show of hands, a resolution has or has not been carried, either unanimously or by a particular majority, and an entry to that effect in the books containing the minutes of the proceedings of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes cast in	

	favour of or against such resolution.	
72.	<p>i. Before or on the declaration of the result of the voting on any resolution of a show of hands, a poll may be ordered to be taken by the Chairman of the meeting of his own motion and shall be ordered to be taken by him on a demand made in that behalf by any member or members present in person or by proxy and holding shares in the voting power in respect of the resolution or on which an aggregate sum of not less than five Lac rupees has been paid up. Company which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the resolution or on which an aggregate sum of not less than five Lac rupees has been paid up.</p> <p>ii. The demand for a poll may be withdrawn at any time by the person or persons who made the demand.</p>	Demand for poll
73.	<p>i. A poll demanded on a question of adjournment shall be taken forthwith.</p> <p>ii. A poll demanded on any other question (not being a question relating to the election of a Chairman which is provided for in Section 104 of the Act) shall be taken at such time not being later than 48 (forty eight) hours from the time when the demand was made, as the Chairman may direct.</p>	Time of taking poll
74.	<p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p>	Adjournment of meeting
75.	<p>Subject to any rights or restrictions for the time being attached to any class or classes of shares,—</p> <p>i. on a show of hands, every member present in person shall have one vote; and</p> <p>ii. 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.</p>	Voting rights
76.	A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once	
77.	<p>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.</p> <p>ii. For this purpose, seniority shall be determined by the order in which the names stand in the register of members.</p>	
78.	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.	
79.	Subject to the provisions of the Act and other provisions of these Articles, any person entitled under the transmission clause to any shares may vote at any general meeting in respect thereof as if he was the registered holder of such shares, provided that at least 48 (forty eight) hours before the time of holding the meeting or adjourned meeting as the case may be at which he proposes to vote, he shall satisfy the Directors of his right to such shares unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof.	
80.	Any business other than that upon which a poll has been demanded may be preceded with, pending the taking of the poll.	
81.	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.	
82.	<ul style="list-style-type: none"> 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. 	
83.	No member shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the Company has exercised any right of lien.	
84.	In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the polls is demanded shall be entitled to a casting vote in addition to his own vote or votes to which he may be entitled as a member.	Casting Vote
85.	A body corporate (whether a Company within the meaning of the Act or not) if it is a member or creditor (including a holder of debentures) of the Company may in accordance with the provisions of Section 113 of the Companies Act, 2013 authorise such person by a resolution of its Board of Directors as it thinks fit, to act as its representative at any meeting of the Company or of any class of members of the Company or at any meeting of creditors of the Company	Representation of Body Corporate
86.	The Company shall comply with provisions of Section 111 of the Companies Act, 2013, relating to circulation of member's resolution.	Circulation of member's resolution
87.	The Company shall comply with provisions of Section 115 of the Act relating to resolution requiring special notice	Resolution requiring special notice
88.	The provisions of Section 116 of Companies Act, 2013 shall apply to resolutions passed at an adjourned meeting of the Company, or of the holders of any class of shares in the Company and of the Board of Directors of the Company and the resolutions shall be deemed for all purposes as having been passed on the date on which in fact they were passed and shall not be deemed to have been passed on any earlier date.	Resolutions passed at adjourned meeting
89.	The Company shall comply with the provisions of Section 117 and 179 of the Companies Act, 2013 relating to registration of certain resolutions and agreements.	Registration of resolutions and agreements
90.	<ul style="list-style-type: none"> i. The Company shall cause minutes of all proceedings of general meetings, and of all proceedings of every meeting of its Board of Directors or of every Committee of the Board to be kept by making within thirty days of the conclusion of every such meeting concerned, entries thereof in books kept for the purpose with their pages consecutively numbered. ii. Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such books shall be dated and signed: <ul style="list-style-type: none"> A. in the case of minutes of proceedings of the Board or of a Committee thereof by the Chairman of the said meeting or the Chairman of the next succeeding meeting. B. in the case of minutes of proceedings of the general meeting by Chairman of the said meeting within the aforesaid period, of thirty days or in the event of the death or inability of that Chairman within that period, by a Director duly authorised by the Board for the purpose. C. In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise. D. The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat. E. All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meeting. 	Minutes of proceedings of general meeting and of Board and other meetings

	<p>F. In the case of a meeting of the Board of Directors or of a Committee of the Board, the minutes shall also contain:</p> <ol style="list-style-type: none"> the names of the Directors present at the meetings, and in the case of each resolution passed at the meeting, the names of the Directors, if any dissenting from or not concurring in the resolution. <p>iii. Nothing contained in Clauses (a) to (d) hereof shall be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting:</p> <ol style="list-style-type: none"> is or could reasonably be regarded, as defamatory of any person is irrelevant or immaterial to the proceedings; or in detrimental to the interests of the Company. <p>iv. The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in this clause.</p>	
91.	The minutes of meetings kept in accordance with the provisions of Section 118 of the Companies Act, 2013 shall be evidence of the proceedings recorded therein.	Minutes to be considered to be evidence
92.	No document purporting to be a report of the proceedings of any general meeting of the Company shall be circulated or advertised at the expenses of the Company unless it includes the matters required by Section 118 of the Act to be contained in the Minutes of the proceedings of such meeting.	Publication of reports of proceeding of general meetings
93.	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.	Proxy
94.	An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.	
95.	<p>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:</p> <p>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.</p>	
96.	<p>The first directors of the Company shall be:</p> <ol style="list-style-type: none"> Mr. Vikas Gupta Mr. Aniket Verma Mr. Vikas Goel 	Board of Directors
97.	The Directors need not hold any “Qualification Share(s)”.	
98.	<p>Appointment of Senior Executive as a Whole Time Director Subject to the provisions of the Act and within the overall limit prescribed under these Articles for the number of Directors on the Board, the Board may appoint any persons as a Whole Time Director of the Company for such a period and upon such terms and conditions as the Board may decide. The Senior Executive so appointed shall be governed by the following provisions:</p> <p>He may be liable to retire by rotation as provided in the Act but shall be eligible for re-appointment. His re-appointment as a Director shall not constitute a break in his</p>	

	<p>appointment as Whole Time Director. He shall be reckoned as Director for the purpose of determining and fixing the number of Directors to retire by rotation. He shall cease to be a Director of the Company on the happening of any event specified in Section 164 of the Act. Subject to what is stated herein above, he shall carry out and perform all such duties and responsibilities as may, from time to time, be conferred upon or entrusted to him by Managing Director(s) and / or the Board, shall exercise such powers and authorities subject to such restrictions and conditions and / or stipulations as the Managing Director(s) and /or the Board may, from time to time determine.</p> <p>Nothing contained in this Article shall be deemed to restrict or prevent the right of the Board to revoke, withdraw, alter, vary or modify all or any such powers, authorities, duties and responsibilities conferred upon or vested in or entrusted to such whole time directors.</p>	
99.	<ul style="list-style-type: none"> i. The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day. ii. In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them— <ul style="list-style-type: none"> 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. 	
100.	The Board may pay all expenses incurred in getting up and registering the company.	
101.	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.	
102.	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.	
103.	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	
104.	<ul style="list-style-type: none"> 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. 	
105.	Not less than two-thirds of the total number of Directors of the Company, excluding the Independent directors if any appointed by the Board, shall be persons whose period of office is liable to determination by retirement of Directors by rotation and save as otherwise expressly provided in the Act and these Articles be appointed by the Company in General Meeting.	Retirement and Rotation of Directors
106.	The remaining Directors shall be appointed in accordance with the provisions of the Act.	
107.	At the Annual General Meeting in each year one-third of the Directors for the time being as are liable to retire by rotation or, if their number is not three or a multiple of three, the number nearest to one-third shall retire from office	
108.	Subject to the provisions of the Act and these Articles the Directors to retire by rotation under the foregoing Article at every Annual General Meeting shall be those who have been longest in the office since their last appointment, but as between	

	persons who became Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot. Subject to the provision of the Act, a retiring Director shall retain office until the dissolution of the meeting at which his reappointment is decided or successor is appointed.	
109.	Subject to the provisions of the Act and these Articles, the retiring Director shall be eligible for reappointment.	
110.	Subject to the provision of the Act and these Articles, the Company, at the Annual General Meeting at which a Director retires in the manner aforesaid may fill up the vacated office by electing the retiring Director or some other person thereto	
111.	Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to any of the Finance Corporation or Credit Corporation or to any other Finance Company or Body out of any loans granted by them to the Company or Body (hereinafter in this Article referred to as "the Corporation") continue to hold debentures or shares in the Company as a result of underwriting or by direct subscription or private placement, or so long as any liability of the Company arising out of any guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time, any person or persons as a Director or Directors whole time or non-whole time (which Director or Directors is/are hereinafter referred to as "Nominee Director/s") on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their places.	Nominee Director
112.	The terms and conditions of appointment of a Nominee Director/s shall be governed by the agreement that may be entered into or agreed with mutual consent with such Corporation. At the option of the Corporation such Nominee Director/s shall not be required to hold any share qualification in the Company. Also at the option of the Corporation such Nominee Director/s shall not be liable to retirement by rotation of Directors.	
113.	The Nominee Directors so appointed shall hold the said office only so long as any money only so long as any moneys remain owing by the Company to the Corporation or so long as the Corporation holds Shares or Debentures in the Company as a result of direct subscription or private placement or the liability of the Company arising out of any Guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately, if the moneys owing by the Company to the Corporation is paid off or on the Corporation ceasing to hold debentures/shares in the Company or on the satisfaction of the liability of the Company arising out of any Guarantee furnished by the Corporation.	
114.	<p>The Nominee Directors appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and/or the Meetings of the Committee of which the Nominee Director/s is/are members as also the minutes of such meetings. The Corporation shall also be entitled to receive all such notices and minutes. The Company shall pay to the Nominee Director/s sitting fees and expenses to which the other Directors of the Company are entitled, but if any other fees, commission monies or remuneration in any form is payable to the Directors of the Company, the fees, commission, monies and remuneration in relation to such Nominee Directors shall accrue to the Corporation and same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or by such Nominee Directors in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to the Corporation or as the case may be to such Nominee Directors.</p> <p>Provided that if any such Nominee Directors is an Officer of the Corporation / IDBI, the sitting fees in relation to such Nominee Directors shall also accrue to the Corporation/ IDBI as the case may be and the same shall accordingly be paid by the</p>	

	Company directly to the Corporation	
115.	Provided also that in the event of the Nominee Directors being appointed as Whole time Directors such Nominee Directors shall exercise such powers and duties as may be approved by the Lenders. Such Nominee Director/s shall be entitled to receive such remuneration, fees, commission and moneys as may be approved by the Lenders.	
116.	<p>(A) In Collection with any collaboration arrangement with any company or corporation or firm or person for supply of technical know-how and/or machinery or technical advice, director may such authorise such company, corporation, firm or person (hereinafter in this clause referred to as “collaborator”) to appoint from time to time, any person or persons as director or directors of the company (hereinafter referred to as “ Special Director”) and may agree that such Special Director shall not be liable to retire by rotation and need not possess any qualification shares to qualify him for the office of such director , so however, that such Special Director shall hold office so long as such collaboration arrangement remains in force unless otherwise agreed upon between the company and such collaborator under the collaboration arrangements or any time thereafter.</p> <p>(B) The collaboration may at any time and from time to time remove any such Special Director appointed by it and may at the time of such removal and also in the case of death or resignation of the person so appointed at any time , appoint any other person as a Special Director in his place and such appointment or removal shall be made in writing signed by such company or corporation or any partner or such person and shall be delivered to the company at its registered office.</p> <p>(C) It is clarified that every collaborator entitled to appoint a director under this Article-may appoint one or more such person or persons as a Director(s) and so that if more than one collaborator is so entitled there may at any time be as many Special Directors as the collaborators eligible to make the appointment.</p>	<u>Special Director</u>
117.	<p>The office of a Director shall be vacated if:</p> <ol style="list-style-type: none"> 1. he is found to be unsound mind by a Court of competent jurisdiction; 2. he applies to be adjudicated as an insolvent; 3. he is an undischarged insolvent; 4. he is convicted by a Court of any offence whether involving moral turpitude or otherwise and is sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence; <p>Provided that if a person has been convicted of any offence and sentenced in respect thereof to imprisonment for a period of seven years or more, he shall not be eligible to be appointed as a director in any company;</p> <ol style="list-style-type: none"> 5. he fails to pay any call in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the last date fixed for the payment of the call; 6. an order disqualifying him for appointment as Director has been passed by court or tribunal and the order is in force. 7. he has not complied with Subsection (3) of Section 152 8. he has been convicted of the offence dealing with related party transaction under section 188 at any time during the preceding five years. 9. he absents himself from all meetings of the Board for a continuous period of twelve months, with or without seeking leave of absence from the Board; 10. he acts in contravention of Section 184 of the Act and fails to disclose his interest in a contract in contravention of section 184. 11. he fails to disclose his interest in any contract or arrangement in which he is 	Vacation of Office By Director

	<p>directly or indirectly interested in contravention of the provisions of section 184;</p> <p>12. he becomes disqualified by an order of a court or the Tribunal</p> <p>13. he is removed in pursuance of the provisions of the Act,</p> <p>14. having been appointed a Director by virtue of holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company;</p> <p>15. he is convicted by a court of any offence, whether involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not less than six months:</p> <p>Provided that the office shall be vacated by the director even if he has filed an appeal against the order of such court.</p> <p>notwithstanding anything in Clause (4), (6) and (8) aforesaid, the disqualification referred to in those clauses shall not take effect:</p> <p>for thirty days from the date of the adjudication, sentence or order;</p> <p>where any appeal or petition is preferred within the thirty days aforesaid against the adjudication, sentence or conviction resulting in the sentence or order until the expiry of seven days from the date on which such appeal or petition is disposed off; or</p> <p>Where within the seven days as aforesaid, any further appeal or petition is preferred in respect of the adjudication, sentence, conviction or order, and appeal or petition, if allowed, would result in the removal of the disqualification, until such further appeal or petition is disposed off.</p>	
118.	The Company may (subject to the provisions of Act and other applicable provisions and these Articles) remove any Director before the expiry of his period of office after giving him a reasonable opportunity of being heard.	
119.	Special notice as provided in the Act shall be given of any resolution to remove a Director under this Article or to appoint some other person in place of a Director so removed at the meeting at which he is removed	
120.	On receipt of the notice of a resolution to remove a Director under this Article, the Company shall forthwith send a copy thereof to the Director concerned and the Director (whether or not he is a member of the Company) shall be entitled to be heard on the resolution at the meeting.	
121.	<p>Where notice is given of a resolution to remove a Director under this Article and the Director concerned makes with respect thereto representations in writing to the Company and requests its notification to members of the Company, the Company shall, if the time permits it to do so-,</p> <p>(a) in any notice of the resolution given to members of the Company state the fact of the representations having been made, and</p> <p>(b) send a copy of the representations to every member of the Company to whom the notice of the meeting is sent (whether before or after the receipt of representation by the Company) and if a copy of the representation is not sent as aforesaid due to insufficient time or for the company's default, the director may without prejudice to his right to be heard orally require that the representation shall be read out at the meeting:</p> <p>Provided that copy of the representation need not be sent out and the representation need not be read out at the meeting if, on the application either of the company or of any other person who claims to be aggrieved, the Tribunal is satisfied that the rights conferred by this sub-section are being abused to secure needless publicity for defamatory matter; and the Tribunal may order the company's costs on the application to be paid in whole or in part by the director notwithstanding that he is not a party to it.</p>	Removal of Directors

122.	A vacancy created by the removal of a director under this article, if he had been appointed by the company in general meeting or by the Board, be filled by the appointment of another director in his place at the meeting at which he is removed, provided special notice of the intended appointment has been given as prescribed in the Act.	
123.	A director so appointed shall hold office till the date up to which his predecessor would have held office if he had not been removed.	
124.	If the vacancy is not filled under clause (5) above , it may be filled as a casual vacancy in accordance with the provisions of this Act: Provided that the director who was removed from office shall not be reappointed as a director by the Board of Directors.	
125.	Nothing in this section shall be taken- a) as depriving a person removed under this section of any compensation or damages payable to him in respect of the termination of his appointment as director as per the terms of contract or terms of his appointment as director, or of any other appointment terminating with that as director; or b) as derogating from any power to remove a director under other provisions of this Act.	
126.	Subject to provisions of the Act, the Directors including Managing or whole time Directors shall be entitled to and shall be paid such remuneration as may be fixed by the Board of Directors from time to time in recognition of the services rendered by them for the company. In addition to the remuneration payable to the Directors as above, they may be paid all travelling, hotel and other expenses incurred by them. a. In attending and returning from meetings of the Board of Directors and committee thereof, all General Meetings of the company and any of their adjourned sittings, or b. In connection with the business of the Company	Remuneration and sitting fees to Directors including Managing and whole time Directors
127.	Each Director shall be entitled to be paid out of the funds of the Company by way of sitting fees for his services not exceeding the sum of Rs. 1,00,000/- (Rupees One Lac) as may be fixed by Directors from time to time for every meeting of the Board of Directors and/ or committee thereof attended by him in addition to any remuneration paid to them. If any Director being willing is appointed to an executive office either whole time or part time or be called upon to perform extra services or to make any special exertions for the purpose of the Company then subject to Section 196, 197 & 198, read with Schedule V of the Act, the Board may remunerate such Directors either by a fixed sum or by a percentage of profit or otherwise and such remuneration may be either in addition to or in substitution for any other remuneration to which he may be entitled to.	
128.	i. Without derogating from the powers vested in the Board of Directors under these Articles, the Board shall exercise the following powers on behalf of the Company and they shall do so only by means of resolutions passed at meetings of the Board. a. The power to make calls on shareholders in respect of money unpaid on their shares; b. The Power to authorize buy-back of securities under Section 68 of the Act. c. Power to issue securities, including debenture, whether in or outside India d. The power to borrow moneys e. The power to invest the funds of the Company, f. Power to Grant loans or give guarantee or provide security in respect	Powers and duties of Directors: Certain powers to be exercised by the Board only at meeting

	<p>of loans</p> <p>g. Power to approve financial statements and the Board's Report</p> <p>h. Power to diversify the business of the Company</p> <p>i. Power to approve amalgamation, merger or reconstruction</p> <p>j. Power to take over a Company or acquire a controlling or substantial stake in another Company</p> <p>k. Powers to make political contributions;</p> <p>l. Powers to appoint or remove key managerial personnel (KMP);</p> <p>m. Powers to take note of appointment(s) or removal(s) of one level below the Key Management Personnel;</p> <p>n. Powers to appoint internal auditors and secretarial auditor;</p> <p>o. Powers to take note of the disclosure of director's interest and shareholding;</p> <p>p. Powers to buy, sell investments held by the Company (other than trade investments), constituting five percent or more of the paid up share capital and free reserves of the investee Company;</p> <p>q. Powers to invite or accept or renew public deposits and related matters;</p> <p>r. Powers to review or change the terms and conditions of public deposit;</p> <p>s. Powers to approve quarterly, half yearly and annual financial statements or financial results as the case may be.</p> <p>Provided that the Board may by resolution passed at the meeting, delegate to any Committee of Directors, the Managing Director, the Manager or any other principal officer of the Company or in the case of a branch office of the Company, a principal officer of the branch office, the powers specified in sub-clauses (d), (e) and (f) to the extent specified in clauses (ii), (iii) and (iv) respectively on such condition as the Board may prescribe.</p> <p>ii. Every resolution delegating the power referred to in sub-clause (d) of clause (i) shall specify the total amount outstanding at any one time up to which moneys may be borrowed by the delegate.</p> <p>iii. Every resolution delegating the power referred to in sub-clause (e) of clause (i) shall specify the total amount up to which the funds of the Company may be invested and the nature of the investments which may be made by the delegate.</p> <p>iv. Every resolution delegating the power referred to in sub-clause (f) of clause (i) shall specify the total amount up to which loans may be made by the delegates, the purposes for which the loans may be made and the maximum amount up to which loans may be made for each such purpose in individual cases.</p> <p>v. Nothing in this Article shall be deemed to affect the right of the Company in general meeting to impose restrictions and conditions on the exercise by the Board of any of the powers referred to in this Article</p>	
129.	<p>i. The Board of Directors of the Company shall not except with the consent of the Company in general meeting:</p> <p>a) sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking of the whole or substantially the whole of any such undertaking;</p>	<p>Restriction on powers of Board</p>

	<ul style="list-style-type: none"> b) remit, or give time for the repayment of any debt, due by a Director; c) invest, otherwise than in trust securities, the amount of compensation received by it as a result of any merger or amalgamation; d) borrow moneys, where the money to be borrowed, together with the moneys already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate of the paid-up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose; or e) contribute to <i>bona fide</i> charitable and other funds, aggregate of which in any financial year, exceed five percent of its average net profits during the three financial years, immediately proceedings. <p>ii. Nothing contained in sub-clause (a) above shall affect:</p> <ul style="list-style-type: none"> a) the title of a buyer or other person who buys or takes a lease of any such undertaking as is referred to in that sub-clause in good faith and after exercising due care and caution, or b) the selling or leasing of any property of the Company where the ordinary business of the Company consists of, or comprises such selling or leasing. <p>iii. Any resolution passed by the Company permitting any transaction such as is referred to in sub-clause (i) (a) above, may attach such conditions to the permission as may be specified in the resolution, including conditions regarding the use, disposal or investment of the sale proceeds which may result from the transaction. Provided that this clause shall not be deemed to authorise the Company to effect any reduction in its capital except in accordance with the provisions contained in that behalf in the Act.</p> <p>iv. No debt incurred by the Company in excess of the limit imposed by sub-clause (d) of clause (i) above, shall be valid or effectual, unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by that clause had been exceeded.</p>	
130.	Due regard and compliance shall be observed in regard to matters dealt with by or in the Explanation contained in Section 180 of the Companies Act, 2013 and in regard to the limitations on the power of the Company contained in Section 182 of the Companies Act, 2013.	
131.	Subject to the provisions of the Act, the management of the business of the Company shall be vested in the Directors and the Directors may exercise all such powers and do all such acts and things as the Company is by the Memorandum of Association or otherwise authorised to exercise and do and not hereby or by the statue or otherwise directed or required to be exercised or done by the Company in General Meeting, but subject nevertheless to the provisions of the Act and other Act and of the Memorandum of Association and these Articles and to any regulations, not being inconsistent with the Memorandum of Association and these Articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.	General powers of the Company vested in Directors
132.	Without prejudice to the general powers conferred by Article above and the other powers conferred by these presents and so as not in any way to limit any or all of those powers and subject to the provisions of the Act and these Articles, it is hereby expressly declared that the Directors shall have the following powers: <ul style="list-style-type: none"> i. To pay and charge to the capital account of the Company and interest 	Specific powers given to Directors

	lawfully payable thereon under the provisions of Sections 76 corresponding to Section 40 of the Companies Act, 2013;	
ii.	To purchase or otherwise acquire any lands, buildings, machinery, premises, hereditaments, property effects, assets, rights, credits, royalties, bounties and goodwill of any person, firm or Company carrying on the business which this Company is authorised to carry on, at or for such price or consideration and generally on such terms and conditions as they may think fit; and in any such purchase or acquisition to accept such title as the Board may believe or may be advised to be reasonable satisfactory;	
iii.	To purchase, or take on lease for any term or terms of years, or otherwise acquire any mills or factories or any land or lands, with or without buildings and outhouses thereon, situate in any part of India, at such price or rent and under and subject to such terms and conditions as the Directors may think fit; and in any such purchase, lease or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory;	
iv.	To pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in shares, bonds, debentures, debenture stock or other securities of the Company, and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures, debenture stock or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged;	
v.	To erect, construct, enlarge, improve, alter, maintain, pull down rebuilt or reconstruct any buildings, factories, offices, workshops or other structures, necessary or convenient for the purposes of the Company and to acquire lands for the purposes of the Company;	
vi.	To let, mortgage, charge, sell or otherwise dispose of subject to the provisions of Section 180 of the Companies Act, 2013 any property of the Company either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as they think fit and to accept payment or satisfaction for the same in cash or otherwise, as they may think fit;	
vii.	To insure and keep insured against loss or damage by fire or otherwise, for such period and to such extent as they may think proper, all or any part of the building, machinery, goods, stores, produce and other moveable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power;	
viii.	Subject to Section 179 of the Companies Act, 2013 to open accounts with any bank or bankers or with any Company, firm, or individual and to pay money into and draw money from any account from time to time as the Directors may think fit;	
ix.	To secure the fulfilment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the properties of the	

	<p>Company and its unpaid capital for the time being or in such other manner as they may think fit;</p> <p>x. To attach to any shares to be issued as the consideration for any contract with or property acquired by the Company, or in payment for services rendered to the Company, such conditions, subject to the provisions of the Act, as to the transfer thereof as they may think fit;</p> <p>xi. To accept from any member on such terms and conditions as shall be agreed, a surrender of his shares or stock or any part thereof subject to the provisions of the Act;</p> <p>xii. To appoint any person or persons (whether incorporated or not) to accept and hold in trust for the Company any property belonging to the Company or in which it is interested or for other purposes and to execute and do all such deeds and things as may be requisite in relation to any such trusts and to provide for the remuneration of such trustee or trustees;</p> <p>xiii. To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its Officers or otherwise concerning the affairs of the Company and also subject to the provisions of Section 180 of the Companies Act, 2013 to compound and allow time for payment or satisfaction of any debts due, or of any claims or demands by or against the Company;</p> <p>xiv. Subject to the provisions of Sections 180 of the Companies Act, 2013 to invest and deal with any of the moneys of the Company, not immediately required for the purpose thereof, upon such Shares, securities or investments (not being Shares in this Company) and in such manner as they may think fit, and from time to time to vary or realize such investments.</p> <p>xv. Subject to such sanction as may be necessary under the Act or these Articles, to give any Director, Officer, or other person employed by the Company, an interest in any particular business or transaction either by way of commission on the gross expenditure thereon or otherwise or a share in the general profits of the Company, and such interest, commission or share of profits shall be treated as part of the working expenses of the Company.</p> <p>xvi. To provide for the welfare of employees or ex-employees of the Company and their wives, widows, families, dependants or connections of such persons by building or contributing to the building of houses, dwelling, or chawls or by grants of money, pensions, allowances, gratuities, bonus or payments by creating and from time to time subscribing or contributing to provident and other funds, institutions, or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendances and other assistance as the Directors shall think fit;</p> <p>xvii. To establish and maintain or procure the establishment and maintenance of any contributory or non contributory pension or superannuation funds for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances or emoluments, to any persons who are or were at any time in the employment or services of the Company, or of any Company which is a subsidiary of the Company or is allied to or associated with the Company or</p>	
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	<p>with any such subsidiary Company, or who are or were at anytime Directors or officers of the Company or of any such other Company as aforesaid, and the wives, widows, families and dependants of any such persons and, also to establish and subsidize and subscribe to any institution, association, clubs or funds collected to be for the benefit of or to advance the interests and well being of the Company or of any such other Company as aforesaid, and make payments to or towards the insurance of any such person as aforesaid and do any of the matters aforesaid, either alone or in conjunction with any such other Company as aforesaid;</p> <p>xviii. To decide and allocate the expenditure on capital and revenue account either for the year or period or spread over the years.</p> <p>xix. To appoint and at their discretion to remove or suspend such Managers, Secretaries, Officers, Clerks, Agents and servants for permanent, temporary or special service as they may from time to time think fit, and to determine their powers and duties, and fix their salaries or emoluments and require security in such instances and to such amounts as they may think fit, and from time to time to provide for the management and transactions of the affairs of the Company in any special locality in India in such manner as they may think fit. The provisions contained in the clause following shall be without prejudice to the general powers conferred by this clause.</p> <p>xx. At any time and from time to time by power of attorney to appoint any person or persons to be the Attorney or Attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these presents) and for such period and subject to such conditions as the Directors may from time to time think fit and any such appointment (if the Directors may think fit) be made in favour of any Company or the members, directors, nominees or managers of any Company or firm or otherwise in favour of any fluctuating body or person whether nominated, directly or indirectly by the Directors and such power of attorney may contain any such powers for the protection or convenience of persons dealing with such Attorneys as the Directors may think fit; and may contain powers enabling any such delegates or Attorneys as aforesaid to sub-delegate all or any of the powers, authorities, and discretion for the time being vested in them.</p> <p>xxi. To enter into all such negotiations, contracts and rescind and/or vary all such contracts and to execute and do all such acts, deeds, and things in the name of on behalf of the Company as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company;</p>	
133.	<p>a) Subject to the provisions of the Act and of these Articles the Board shall have power to appoint from time to time one or more Directors as Managing Director or Managing Directors and/or Whole-time Directors of the Company for a fixed term not exceeding five years at a time and upon such terms and conditions as the Board thinks fit, and the Board may by resolution vest in such Managing Director(s)/Whole-time Director(s), such of the power hereby vested in the Board generally as it thinks fit, and such powers may be made exercisable for such period or periods, and upon such condition and subject to such restriction as it may determine, the remuneration of such Directors may be by way of monthly remuneration and/or fee for each meeting and/or participation in profits, or by any or all of those modes, or of any other mode not expressly prohibited by the Act.</p>	<p><u>MANAGING DIRECTORS</u></p> <p>Power to appoint Managing or Whole-time Directors</p>

	<p>b) Subject to the approval of shareholders in their meeting, the managing director of the Company may be appointed and continue to hold the office of the chairman and managing director or Chief Executive officer of the Company at the same time.</p> <p>c) Subject to the provisions of Sections 197 & 198 of the Act, the appointment and payment of remuneration to the above Director shall be subject to approval of the members in general meeting and of the Central Government.</p>	
134.	<p>a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.</p> <p>b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.</p>	Proceedings of the Board
135.	The quorum for meetings of Board/Committees shall be as provided in the Act or under the rules.	
136.	<p>a) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.</p> <p>b) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.</p>	
137.	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.	
138.	The participation of directors in a meeting of the Board/ Committees may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.	
139.	<p>a) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.</p> <p>b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.</p>	
140.	<p>a) 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.</p> <p>b) 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</p>	Delegation of Powers of Board to Committee
141.	<p>a) A committee may elect a Chairperson of its meetings.</p> <p>b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting</p>	
142.	<p>a) A committee may meet and adjourn as it thinks fit.</p> <p>b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.</p>	
143.	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.	
144.	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	
145.	Subject to the provisions of the Act,—	Chief Executive

	<p>a) A chief executive officer, manager, Company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, Company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;</p> <p>b) A director may be appointed as chief executive officer, manager, Company secretary or chief financial officer.</p>	Officer, Manager, Company Secretary or Chief Financial Officer
146.	A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officers, 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.	
147.	The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.	
148.	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.	
149.	<p>a) The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.</p> <p>b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.</p>	
150.	<p>a) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.</p> <p>b) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.</p> <p>c) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.</p>	Dividends and Reserve
151.	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.	
152.	<p>a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.</p> <p>b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.</p>	
153.	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.	
154.	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.	

155.	No dividend shall bear interest against the Company. Provided however that no amount outstanding as unclaimed dividends shall be forfeited unless the claim becomes barred by law and that such forfeiture, when effected, will be annulled in appropriate cases;	
156.	Where a dividend has been declared by a company but has not been paid or claimed within thirty days from the date of the declaration, the company shall, within seven days from the date of expiry of the thirty days, transfer the total amount of dividend which remains unpaid or unclaimed to a special account to be opened by the company in that behalf in any scheduled bank to be called the Unpaid Dividend Account as per provisions of section 124 and any other pertinent provisions in rules made thereof. The company shall transfer any money transferred to the unpaid dividend account of a company that remains unpaid or unclaimed for a period of seven years from the date of such transfer, to the Fund known as Investor Education and Protection Fund established under section 125 of the Act.	
157.	The Board may retain dividends payable upon shares in respect of which any person is, under the Transmission Clause hereinbefore contained, entitled to become a member, until such person shall become a member in respect of such shares.	
158.	Payment in any way whatsoever shall be made at the risk of the person entitled to the money paid or to be paid. The Company will not be responsible for a payment which is lost or delayed. The Company will be deemed to having made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made.	
159.	a) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of members not being directors. b) No member (not being a director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Board or by the Company in general meeting.	
160.	Minutes Books of General Meetings a) The books containing the minutes of the proceedings of any general meeting of the Company shall; i. be kept at the registered office of the Company, and be open, during the business hours to the inspection of any member without charge subject such reasonable restrictions as the Company may, in general meeting impose so however that not less than two hours in each day are allowed for inspection. Provided however that any person willing to inspect the minutes books of General Meetings shall intimate to the Company his willingness atleast 15 days in advance. b) Any member shall be entitled to be furnished, within seven days after he has made a request in that behalf of the Company, with a copy of any minutes referred to in Clause (a) above, on payment of Rs. 10/- (Ten Rupees only) for each page or part thereof.	Inspection of Statutory Documents of the Company
161.	Register of charges: a) The Company shall keep at its registered office a Register of charges and enter therein all charges and floating charges specifically affecting any property or assets of the Company or any of its undertakings giving in each case the details as prescribed under the provisions of the Act. b) The register of charges and instrument of charges, as per clause (i) above, shall be open for inspection during business hours—	

	<ul style="list-style-type: none"> a. by any member or creditor without any payment of fees; or b. by any other person on payment of such fees as may be prescribed, <p>Provided however, that any person willing to inspect the register of charges shall intimate to the Company at least 15 days in advance, expressing his willingness to inspect the register of charges, on the desired date.</p>	
162.	<ul style="list-style-type: none"> a) The first Auditor of the Company shall be appointed by the Board of Directors within 30 days from the date of registration of the Company and the Auditors so appointed shall hold office until the conclusion of the first Annual General Meeting. b) Appointment of Auditors shall be governed by provisions of Companies Act 2013 and rules made there under. c) The remuneration of the Auditor shall be fixed by the Company in the Annual General Meeting or in such manner as the Company in the Annual General Meeting may determine. In case of an Auditor appointed by the Board his remuneration shall be fixed by the Board. d) The Board of Director may fill any casual vacancy in the office of the auditor and where any such vacancy continues, the remaining auditor, if any may act, but where such vacancy is caused by the resignation of the auditors and vacancy shall be filled up by the Company in General Meeting. 	Audit
163.	<p>Subject to the provisions of Chapter XX of the Act and rules made there under—</p> <ul style="list-style-type: none"> i. If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not. ii. For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members. iii. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or others securities whereon there is any liability. 	Winding up
164.	<p>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 Subject to the provisions of Chapter XX of the Act and rules made there under—</p>	Indemnity
165.	<ul style="list-style-type: none"> a) Every Director, Manager, Secretary, Trustee, Member or Debenture holder, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in or about the business of the company shall, if so required by the Board before entering upon their duties sign a declaration pledging themselves to observe a strict secrecy respecting all transactions of the Company with its customers and the state of accounts with individuals and in matters which may come to their knowledge in the discharge of their duties except when required to do so by the Board or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents. b) No member shall be entitled to visit or inspect any works of the Company, without the permission of the Directors or to require discovery of or any information respecting any details of the Company's trading or business or any matter which is or may be in the nature of a trade secret, mystery of trade, secret 	Secrecy

	or patented process or any other matter, which may relate to the conduct of the business of the Company and which in the opinion of the directors, it would be inexpedient in the interests of the Company to disclose.	
166.	The company shall have among its objectives the promotion and growth of the national economy through increased productivity, effective utilisation of material and manpower resources and continued application of modern scientific and managerial techniques in keeping with the national aspirations and the company shall be mindful of its social and moral responsibilities to the consumers, employees, shareholders, society and the local community.	Social Objective

SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by the Company or entered into more than two years before the date of the Prospectus) which are or may be deemed material have been entered or to be entered into by the Company which are or may be deemed material will be attached to the copy of the Prospectus, delivered to the Registrar of Companies, for registration. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Corporate Office between 10 a.m. and 5 p.m. on all Working Days from the date of this Prospectus until the Issue Closing Date.

Material Contracts

1. Agreement dated April 04, 2018 between our Company and Swastika Investmart Limited as Lead Manager to the Issue.
2. Agreement dated April 04, 2018 executed between our Company and the Registrar to the Issue (Skyline Financials Services Pvt. Ltd.)
3. Market Making Agreement dated April 04, 2018 between our Company, Lead Manager and Market Maker.
4. Banker to the Issue Agreement dated April 27, 2018 among our Company, Lead Manager, Banker to the Issue and the Registrar to the Issue.
5. Underwriting Agreement dated April 04, 2018 between our Company, Lead Manager and Underwriters.
6. Tripartite Agreement dated April 19, 2018 among CDSL, the Company and the Registrar to the Issue.
7. Tripartite Agreement dated April 26, 2018 among NDSL, the Company and the Registrar to the Issue.

Material Documents

1. Certified copies of the Memorandum and Articles of Association of the Company as amended.
2. Certificate of Incorporation dated November 28, 2011 issued by the Registrar of Companies, Punjab & Chandigarh.
3. Fresh Certificate of Incorporation pursuant to alteration in Object Clause of Memorandum of Association of company due to inserting new objects in object clause dated March 12, 2018 issued by the Registrar of Companies, Chandigarh.
4. Fresh Certificate of Incorporation pursuant to conversion of Company from Private to Public dated March 16, 2018 issued by the Registrar of Companies, Chandigarh.
5. Copy of the Board Resolution dated March 31, 2018 authorizing the Issue and other related matters.
6. Copy of Shareholder's Resolution dated April 04, 2018 authorizing the Issue and other related matters.
7. Copies of Audited Financial Statements of our Company for the period ended December 31, 2017 and for the years ended March 31, 2017, 2016, 2015, 2014 & 2013.
8. Peer Review Auditors Report dated April 07, 2018 on Restated Financial Statements of our Company for the period ended December 31, 2017 and year ended March 31, 2017, 2016, 2015, 2014 & 2013.
9. Copy of the Statement of Tax Benefits dated April 23, 2018 from the Statutory Auditor.
10. Consents of the Lead Manager, Legal Advisor to the Issue, Registrar to the Issue, Market Maker, Underwriter, Banker to our Company, Statutory Auditor of the Company, Peer Review Auditor, Promoters of our Company, Directors of our Company, Company Secretary and Compliance Officer, Chief Financial Officer, Bankers to the Issue, as referred to, in their respective capacities.
11. Copy of Certificate from the Peer Review Auditors of our Company, M/S. Mistry and Shah, Chartered Accountants, dated April 07, 2018 regarding the Eligibility of the Issue.
12. Board Resolution dated April 26, 2018 for approval of Draft Prospectus, dated May 07, 2018 for approval of Prospectus
13. Due Diligence Certificate from Lead Manager dated April 26, 2018 filed with BSE and dated May 07, 2018 filed with SEBI.
14. Approval from BSE vide letter dated May 04, 2018 to use the name of BSE in the Prospectus for listing of Equity Shares on the SME Platform of the BSE.

DECLARATION

I, the person mentioned herein below, as Director or otherwise, as mentioned, certify that all relevant provisions of the Companies Act, 2013, the Companies Act, 1956, to the extent applicable, the guidelines issued by the Government of India and the regulations and guidelines issued by Securities and Exchange Board of India established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with while issuing the Prospectus. No statement made in the Prospectus is contrary to the provisions of the Companies Act, 2013, the Companies Act, 1956, to the extent applicable and the Securities and Exchange Board of India Act, 1992, each as amended from time to time or the rules made there under or regulations and guidelines issued, as the case may be. I further certify that all the statements made in the Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY:

Sd/-

Mr. Vikas Goel

Chairman cum Managing Director

DIN: 05122585

Place: Chandigarh

Date: 07.05.2018



DECLARATION

I, the person mentioned herein below, as Director or otherwise, as mentioned, certify that all relevant provisions of the Companies Act, 2013, the Companies Act, 1956, to the extent applicable, the guidelines issued by the Government of India and the regulations and guidelines issued by Securities and Exchange Board of India established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with while issuing the Prospectus. No statement made in the Prospectus is contrary to the provisions of the Companies Act, 2013, the Companies Act, 1956, to the extent applicable and the Securities and Exchange Board of India Act, 1992, each as amended from time to time or the rules made there under or regulations and guidelines issued, as the case may be. I further certify that all the statements made in the Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY:

Sd/-

Mr. Vikas Gupta
Whole Time Director
DIN: 05123386

Place: Chandigarh
Date: 07.05.2018



DECLARATION

I, the person mentioned herein below, as Director or otherwise, as mentioned, certify that all relevant provisions of the Companies Act, 2013, the Companies Act, 1956, to the extent applicable, the guidelines issued by the Government of India and the regulations and guidelines issued by Securities and Exchange Board of India established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with while issuing the Prospectus. No statement made in the Prospectus is contrary to the provisions of the Companies Act, 2013, the Companies Act, 1956, to the extent applicable and the Securities and Exchange Board of India Act, 1992, each as amended from time to time or the rules made there under or regulations and guidelines issued, as the case may be. I further certify that all the statements made in the Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY:

Sd/-

Mr. Mudit Goyal
Whole Time Director
DIN: 08099543

Place: Chandigarh
Date: 07.05.2018



DECLARATION

I, the person mentioned herein below, as Director or otherwise, as mentioned, certify that all relevant provisions of the Companies Act, 2013, the Companies Act, 1956, to the extent applicable, the guidelines issued by the Government of India and the regulations and guidelines issued by Securities and Exchange Board of India established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with while issuing the Prospectus. No statement made in the Prospectus is contrary to the provisions of the Companies Act, 2013, the Companies Act, 1956, to the extent applicable and the Securities and Exchange Board of India Act, 1992, each as amended from time to time or the rules made there under or regulations and guidelines issued, as the case may be. I further certify that all the statements made in the Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY:

Sd/-

Mr. Amit Mittal

Non-Executive Independent Director

DIN: 08099502

Place: Chandigarh

Date: 07.05.2018

DECLARATION

I, the person mentioned herein below, as Director or otherwise, as mentioned, certify that all relevant provisions of the Companies Act, 2013, the Companies Act, 1956, to the extent applicable, the guidelines issued by the Government of India and the regulations and guidelines issued by Securities and Exchange Board of India established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with while issuing the Prospectus. No statement made in the Prospectus is contrary to the provisions of the Companies Act, 2013, the Companies Act, 1956, to the extent applicable and the Securities and Exchange Board of India Act, 1992, each as amended from time to time or the rules made there under or regulations and guidelines issued, as the case may be. I further certify that all the statements made in the Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY:

Sd/-

Mr. Prabhat Kumar

Non-Executive Independent Director

DIN: 08099531

Place: Chandigarh

Date: 07.05.2018

DECLARATION

I, the person mentioned herein below, as Director or otherwise, as mentioned, certify that all relevant provisions of the Companies Act, 2013, the Companies Act, 1956, to the extent applicable, the guidelines issued by the Government of India and the regulations and guidelines issued by Securities and Exchange Board of India established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with while issuing the Prospectus. No statement made in the Prospectus is contrary to the provisions of the Companies Act, 2013, the Companies Act, 1956, to the extent applicable and the Securities and Exchange Board of India Act, 1992, each as amended from time to time or the rules made there under or regulations and guidelines issued, as the case may be. I further certify that all the statements made in the Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY:

Sd/-

Mrs. Savita Bansal

Non-Executive Independent Director

DIN: 08099629

Place: Chandigarh

Date: 07.05.2018



DECLARATION

We, the persons mentioned herein below, as Company Secretary & Compliance Officer and Chief Financial Officer or otherwise, as mentioned, certify that all relevant provisions of the Companies Act, 2013, the Companies Act, 1956, to the extent applicable, the guidelines issued by the Government of India and the regulations and guidelines issued by Securities and Exchange Board of India established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with while issuing the Prospectus. No statement made in the Prospectus is contrary to the provisions of the Companies Act, 2013, the Companies Act, 1956, to the extent applicable and the Securities and Exchange Board of India Act, 1992, each as amended from time to time or the rules made there under or regulations and guidelines issued, as the case may be. We further certify that all the statements made in the Prospectus are true and correct.

SIGNED BY THE COMPANY SECRETARY & CHIEF FINANCIAL OFFICER OF OUR COMPANY: -

Sd/- Ms. Neharika Sodhi <i>Company Secretary & Compliance officer</i>	Sd/- Mr. Vijay Sharma <i>Chief Financial Officer</i>
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Place: Chandigarh

Date: 07.05.2018

DECLARATION

We, the persons mentioned herein below certify that all relevant provisions of the SEBI Securities Contracts (Regulation) Act, 1956, to the extent applicable, the guidelines issued by the Government of India and the regulations and guidelines issued by Securities and Exchange Board of India established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with while issuing the Prospectus. We further certify that all the statements made in the Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY:

Sd/- Mr. Vikas Goel <i>Chairman cum Managing Director</i> DIN: 05122585	Sd/- Mr. Vikas Gupta <i>Whole Time Director</i> DIN: 05123386
Sd/- Mr. Mudit Goyal <i>Whole Time Director</i> DIN: 08099543	Sd/- Mr. Amit Mittal <i>Non-Executive Independent Director</i> DIN: 08099502
Sd/- Mr. Prabhat Kumar <i>Non-Executive Independent Director</i> DIN: 08099531	Sd/- Mrs. Savita Bansal <i>Non-Executive Independent Director</i> DIN: 08099629

SIGNED BY THE COMPANY SECRETARY & CHIEF FINANCIAL OFFICER OF OUR COMPANY: -

Sd/- Ms. Neharika Sodhi <i>Company Secretary & Compliance officer</i>	Sd/- Mr. Vijay Sharma <i>Chief Financial Officer</i>
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Place: Chandigarh

Date: 07.05.2018