



RIDDHI STEEL AND TUBE LIMITED
CIN: U27106GJ2001PLC039978

Our Company was originally incorporated on September 07, 2001, as Riddhi Steel and Tube Private Limited under the provisions of the Companies Act, 1956 with the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Our Company was converted into a public limited company and accordingly the name of our Company was changed to Riddhi Steel and Tube Limited pursuant to a special resolution passed by our Shareholders at the EGM held on January 08, 2016. A fresh certificate of incorporation consequent upon conversion to public limited company was issued on February 01, 2016 by Registrar of Companies, Ahmadabad, Gujarat. For further details, please see the section titled **“History and Other Certain Corporate Matters”** beginning on page 90 of this Draft Prospectus.

Registered Office: 83/84, Village - Kamod, Piplaj Pirana Road, Post - Aslali, Ahmedabad- 382427, Gujarat, India;
Tel: +91-79-27543974; **Fax No.:** +91 - 79 - 26768656; **Website:** www.riddhitubes.com;
Company Secretary and Compliance Officer: Mr. Neel G. Sukhani Email: riddhiacc@rediffmail.com ;
Our Promoters: Mr. Rajesh Kumar R. Mittal, Ms. Preeti R. Mittal, Mr. Rajat R. Mittal, Ms. Riddhi R. Mittal

THE ISSUE	
<p>PUBLIC ISSUE OF 23,40,000 EQUITY SHARES OF Rs.10 EACH (“EQUITY SHARES”) OF RIDDHI STEEL AND TUBE LIMITED (“RSTL” OR THE “COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF Rs.38 PER SHARE (THE “ISSUE PRICE”), AGGREGATING TO RS. 889.20 LACS (“THE ISSUE”) OF WHICH, 1,26,000 EQUITY SHARES OF RS. 10 EACH WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION i.e. ISSUE OF 22,14,000 EQUITY SHARES OF RS. 10 EACH IS HEREINAFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 28.22% AND 26.71%, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF THE COMPANY.</p>	
THE FACE VALUE OF THE EQUITY SHARES IS RS. 10 EACH AND THE ISSUE PRICE OF RS.38/- IS 3.80 TIMES OF THE FACE VALUE	
<p>THIS ISSUE IS BEING IN TERMS OF CHAPTER XB OF THE SEBI (ICDR) REGULATIONS 2009, AS AMENDED FROM TIME TO TIME. 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) REGULATION 2009, AS AMENDED FROM TIME TO TIME. FOR FURTHER DETAILS, SEE SECTION TITLED “ISSUE PROCEDURE” BEGINNING ON PAGE 171 OF THIS DRAFT PROSPECTUS.</p>	
<p>In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015, all potential Investors shall participate in the Issue only through an Application Supported by Blocked Amount (“ASBA”) process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks (“SCSBs”) for the same. For further details, please refer to section titled “Issue Procedure” beginning on page 171 of this Draft Prospectus.</p>	
ELIGIBLE INVESTORS	
<p>For details in relation to Eligible Investors, please refer to section titled “Issue Procedure” beginning on page 171 of this Draft Prospectus.</p>	
RISKS IN RELATION TO THE FIRST ISSUE	
<p>This being the first issue of the Company, there has been no formal market for the securities of the Company. The face value of the shares is Rs.10 per Equity Share and the issue price is 3.8 times of the face value. The Issue Price (as determined by Company in consultation with the Lead Manager) as stated under the chapter titled “Basis for Issue Price” beginning on page 58 of this Draft Prospectus, should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the equity shares of our Company or regarding the price at which the Equity Shares will be traded after listing.</p>	
GENERAL RISKS	
<p>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 offering. For taking an investment decision investors must rely on their own examination of the issuer and the offer including the risks involved. The securities have not been recommended or approved by Securities and Exchange Board of India (“SEBI”) nor does SEBI guarantee the accuracy or adequacy of this Draft Prospectus. Specific attention of the Investors is invited to the section titled “Risk Factors” beginning on page 11 of this Draft Prospectus.</p>	
COMPANY ABSOLUTE RESPONSIBILITY	
<p>The Company, having made all reasonable inquiries, accepts responsibility for, and confirms that this Draft Prospectus contains all information with regard to the Issuer and the Issue, which is material in the context of the issue, that the information contained in this Draft Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.</p>	
LISTING	
<p>The Equity Shares issued through this Draft Prospectus are proposed to be listed on the SME Platform of BSE. In terms of the Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time, we are not required to obtain an in-principle listing approval for the shares being issued in this Issue. However, our Company has received an approval letter dated [●] from BSE for using its name in this Draft Prospectus for listing of our shares on the SME Platform of BSE. For the purpose of this Issue, the Designated Stock Exchange will be the BSE Limited (“BSE”).</p>	
LEAD MANAGER	REGISTRAR TO THE ISSUE
	
<p>GUINNESS CORPORATE ADVISORS PRIVATE LIMITED 18, Deshapriya Park Road, Kolkata - 700 026, West Bengal, India Tel: +91 33 30015555 Fax: +91 33 3001 5531 Email: gcapl@guinnessgroup.net Website: www.16anna.com Contact Person: Ms. Alka Mishra / Mr. Lalit Phatak SEBI Registration No.: INM 000011930</p>	<p>KARVY COMPUTERSHARE PRIVATE LIMITED Karvy Selenium Tower B, Plot 31-32 ,Gachibowli, Financial District, Nanakramguda , Hyderabad – 500 032, India Tel: +91 – 40 – 67162222 Fax: +91 – 40 – 2343 1551 Website: www.karisma.karvy.com E-mail: riddhisteel.ipo@karvy.com Contact person: Mr.M Murli Krishna SEBI Registration No.: INR000000221</p>
ISSUE PROGRAMME	
ISSUE OPENS ON: [●]	ISSUE CLOSES ON: [●]

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SECTION I: GENERAL

Definitions And Abbreviations

DEFINITIONS

TERMS	DESCRIPTION
“Riddhi Steel and Tube Limited”, “RSTL”, Riddhi”, “We” or “us” or “our Company” “the Company” or “the Issuer”	Unless the context otherwise requires, refers to Riddhi Steel and Tube Limited , a Company incorporated under the Companies Act, 1956 vide a certificate of incorporation issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli.
“you”, “your” or “yours”	Prospective Investors in this Issue

CONVENTIONAL/GENERAL TERMS

TERMS	DESCRIPTION
AOA / Articles / Articles of Association	Articles of Association of Riddhi Steel and Tube Limited, as amended from time to time
Audit Committee	The committee of the Board of Directors constituted as the Company’s Audit Committee in accordance with Company Act 2013 and Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
Banker to the Company	Canara Bank
Board of Directors/the Board/our Board/Director(s)	The Board of Directors of Riddhi Steel and Tube Limited , including all duly constituted committees thereof
BSE	BSE Limited (the Designated Stock Exchange)
CIN	Corporate Identification Number
Companies Act / Act	The Companies Act, 1956 and Companies Act, 2013, to the extent amended and applicable.
Demographic Details	The demographic details of the Applicants such as their address, PAN, occupation and bank account details
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
Equity Shares / Shares	Equity Shares of our Company of face value of Rs. 10 each unless otherwise specified in the context thereof
Executive Directors	Executive Director includes the Managing Director of our Company
Key Managerial Personnel / Key Managerial Employees	Key management personnel of our Company in terms of the SEBI Regulations and the Companies Act, 2013, as described in the section titled “ <i>Our Management</i> ” on page 93 of this Draft Prospectus.
Materiality Policy	The policy on identification of group companies, related party transactions, material creditors and material litigation, adopted by our Board on April 6, 2016, in accordance with the requirements of the SEBI (ICDR) Regulations
MOA / Memorandum / Memorandum of Association	Memorandum of Association of Riddhi Steel and Tube Limited, as amended
Non Resident	A person resident outside India, as defined under FEMA Regulations
Non-Resident Indian/ NRI	A person resident outside India, who is a citizen of India or a Person of Indian Origin as defined under FEMA Regulations, as amended
Overseas Corporate Body / OCB	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000. OCBs are not

TERMS	DESCRIPTION
	allowed to invest in this Issue.
Peer Review Auditor	M/s. Devpura Navlakha & Co., Chartered Accountants, the Peer Review Auditor of our Company
Person or Persons	Any Individual, Sole Proprietorship, Unincorporated Association, Unincorporated Organization, Body Corporate, Corporation, Company, Partnership Firm, Limited Liability Partnership, 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	Promoters of the Company being Mr. Rajesh Kumar R. Mittal, Ms. Preeti R. Mittal, Mr. Rajat R. Mittal and Ms. Riddhi Mittal.
Promoter Group Companies /Group Companies / Group Enterprises	Unless the context otherwise specifies, refers to those entities mentioned in the section titled “ <i>Our Promoter Group / Group Companies / Entities</i> ” on page 104 & 109 of this Draft Prospectus.
Registered office of our Company	83/84, Village Piplaj, Pirana Road, Aslali, Ahmedabad- 382 427
ROC	Registrar of Companies, Gujarat, Dadra and Nagar Haveli
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act.
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI Listing Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Regulation/ SEBI (ICDR) Regulations	The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended, including instructions and clarifications issued by SEBI from time to time
SEBI Takeover 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
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
SME Exchange/ Stock Exchange	Unless the context otherwise requires, refer to the SME Platform of BSE Ltd.
SME Platform of BSE/Stock Exchange	The SME platform of BSE for listing of equity shares offered under Chapter XB of the SEBI (ICDR) Regulations
Statutory Auditor / Auditors	M/s. C.P. Shah & Co., Chartered Accountants the statutory auditors of our Company
SWOT	Analysis of strengths, weaknesses, opportunities and threats

ISSUE RELATED TERMS

TERMS	DESCRIPTION
Allotment/Allot	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Issue of Equity Shares to the successful Applicants.
Allottee	The successful applicant to whom the Equity Shares are being / have been issued
Applicant	Any prospective investor who makes an application for Equity Shares in terms of this Draft Prospectus
Application Form	The form in terms of which the applicant shall apply for the Equity Shares of the Company
Application Supported by Blocked Amount (ASBA)	Means an application for subscribing to an issue containing an authorization to block the application money in a bank account
ASBA Account	Account maintained with SCSBs which will be blocked by such SCSBs to the extent of the appropriate application amount of the ASBA applicant, as specified in the ASBA Application Form
ASBA Applicant(s)	Any prospective investors in this Issue who apply for Equity Shares of our Company through the ASBA process in terms of this Draft Prospectus
ASBA Location(s)/Specified Cities	Location(s) at which ASBA application can be uploaded by the Brokers, namely Mumbai, Chennai, Kolkata, Delhi, Ahmedabad, Rajkot, Jaipur, Bangalore, Hyderabad, Pune, Baroda and Surat

Basis of Allotment	The basis on which Equity Shares will be allotted to the Investors under the Issue and which is described in “ <i>Issue Procedure–Basis of Allotment</i> ” on page 179 of this Draft Prospectus
Broker Centres	Broker centres notified by the Stock Exchanges, where applicants can submit the application forms to a Registered Broker. The details of such broker centres, along with the name and contact details of the Registered Brokers, are available on the website of the BSE on the following link- http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expandable=3
Broker to the Issue	All recognized members of the stock exchange would be eligible to act as the Broker to the Issue
Business Day	Any day on which commercial banks are open for the business
Category I Foreign Portfolio Investor(s)	FPIs who are registered as Category I Foreign Portfolio Investors under the SEBI FPI Regulations.
Category II Foreign Portfolio Investor(s)	FPIs who are registered as Category II Foreign Portfolio Investors under the SEBI FPI Regulations.
Category III Foreign Portfolio Investor(s)	FPIs who are registered as Category III Foreign Portfolio Investors under the SEBI FPI Regulations.
CAN/Confirmation of Allocation Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange.
Client ID	Client Identification Number maintained with one of the Depositories in relation to Demat Account
Compliance Officer	The Company Secretary of our Company, Mr. Neel G. Sukhani.
Controlling Branches of the SCSBs	Such branches of the SCSBs which co-ordinate Applications by the ASBA Applicants with the Registrar to the Issue and the Stock Exchanges and a list of which is available at www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time
Depository Participant / DP	A Depository Participant as defined under the Depositories Act, 1996
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Application Form used by ASBA Applicant and a list of which is available on www.sebi.gov.in
Designated Date	The date on which funds are transferred from the ASBA Accounts to the Public Issue Account or unblock such amounts, as appropriate in terms of the Draft Prospectus.
Designated Market Maker	Guiness Securities Limited having Registered office at 216, 2 nd Floor, P.J. Towers, Dalal Street, Mumbai- 400 001, Mumbai, Maharashtra and Corporate office at Guinness House, 18, Deshapriya Park Road, Kolkata-700 026, West Bengal, India
Designated Stock Exchange	BSE Limited
Draft Prospectus	The Draft Prospectus dated May 19, 2016 filed with the BSE Limited
Eligible NRI	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to subscribe to the Equity Shares Allotted herein
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 offered thereby and who have opened demat accounts with SEBI registered qualified depository participants
Issue/ Public issue/Issue size/Initial Public issue/Initial Public Offer/Initial Public Offering/IPO	Public issue of 23,40,000 Equity Shares of Rs. 10/- each (“Equity Shares of Riddhi for cash at a price of Rs.38/- per share”) of Riddhi Steel and Tube Limited for cash at a price of Rs.38/- per share (including a share premium of Rs. 28 per Equity Share) aggregating to Rs.889.20 Lacs
Issue Opening date	The date on which the Issue opens for subscription
Issue Closing date	The date on which the Issue closes for subscription
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective applicants may submit their application
Issue Price	The price at which the Equity Shares are being issued by our Company under this Draft Prospectus being Rs. 38/-

Lead Manager/LM	Lead Manager to the Issue being Guinness Corporate Advisors Private Limited
Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and the SME Platform of BSE
Market Maker	Member Brokers of BSE who are specifically registered as Market Makers with the BSE SME Platform. In our case, Guinness Securities Limited is the sole Market Maker.
Market Maker Reservation Portion	The Reserved portion of 1,26,000 Equity shares of Rs.10/- each at Rs.38/- per Equity Share aggregating to Rs.47.88 Lacs for Designated Market Maker in the Public Issue of Riddhi Steel And Tube Limited
Mutual Funds	A mutual Fund registered with SEBI under SEBI (Mutual Funds) Regulations, 1996
Memorandum of Understanding	The arrangement entered into on April 18, 2016 between our Company, and Lead Manager pursuant to which certain arrangements are agreed in relation to the Issue
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of 22,14,000 Equity Shares of Rs.10/- each at Rs. 38/- per Equity Share aggregating to Rs 841.32 lacs by Riddhi Steel And Tube Limited.
NIF	National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of Government of India published in the Gazette of India
Non-Institutional Investors / Applicant	All Applicants, including Category III FPIs, that are not Qualified Institutional Buyers or Retail Individual Investors, who apply for the Equity Shares of a value of more than Rs.200,000. (but not including NRIs other than Eligible NRIs)
Prospectus	The Prospectus, filed with the RoC containing, inter alia, the Issue opening and closing dates and other information
Public Issue Account/Issue Account	Account opened with Bankers to issue [●]Under Section 40 of the Companies Ac,2013 to receive monies from the SCSBs from the bank accounts of Applicant on the Designated Date.
Qualified Institutional Buyers or QIBs	Public financial institutions as defined in Section 2(72) of the Companies Act, 2013, Foreign Portfolio Investor other than Category III Foreign Portfolio Investor, AIFs, VCFs, FVCIs, Mutual Funds, multilateral and bilateral financial institutions, scheduled commercial banks, state industrial development corporations, insurance companies registered with the IRDA, provident funds and pension funds with a minimum corpus of Rs. 250 million, insurance funds set up and managed by the army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, Government of India, eligible for Bidding and does not include FVCIs and multilateral and bilateral institutions.
Registrar/Registrar to the Issue	Registrar to the Issue being Karvy Computershare Private Limited
Retail Individual Investor(s)	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 Rs. 2,00,000
Self-Certified Syndicate Banks or SCSBs	Banks registered with SEBI, offering services in relation to ASBA, a list of which is available on the website of SEBI at www.sebi.gov.in
Underwriter	Guinness Corporate Advisors Private Limited
Underwriting Agreement	The Agreement among the Underwriter and our Company.
Working Days	Working day shall be all trading days of stock exchanges excluding Sunday and bank holidays as per SEBI circular No. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016.

COMPANY/INDUSTRY RELATED TERMS/TECHNICAL TERMS

TERMS	DESCRIPTION
ERW	Electric Resistance Welded
HF	High Frequency
M/T, MT	Metric Ton
MOU	Memorandum of Understanding
DRI	Direct-Reduced Iron
DRFC	Dedicated Rail Freight Corridor
PPP	Private Public Partnership
GW	Gigawatt
DIPP	Department of Industrial Policy and Promotion

TERMS	DESCRIPTION
NMDC	National Mineral Development Corporation
SAIL	Steel Authority of India Ltd
RINL	Rashtriya Ispat Nigam Limited
SRTMI	Steel Research and Technology Mission of India
PMG	Project Monitoring Group
SHS	square hollow sections

ABBREVIATIONS

TERMS	DESCRIPTION
A/c	Accounts
AGM	Annual General Meeting
AIF	Alternative Investment Fund
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
A. Y.	Assessment Year
B. A	Bachelor of Arts
B.Com	Bachelor of Commerce
BG/LC	Bank Guarantee / Letter of Credit
CAGR	Compounded Annual Growth Rate
C. A	Chartered Accountant
CDSL	Central Depository Services (India) Limited
CEO	Chief Executive Officer
CFO	Chief Financial Officer
C. S	Company Secretary
DP	Depository Participant
DR	Doctor
ECS	Electronic Clearing System
EGM / EOGM	Extra Ordinary General Meeting
EPS	Earning Per Equity Share
ESOP	Employee Stock Option Plan
EMD	Earnest Money Deposit
FCNR Account	Foreign Currency Non Resident Account
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time and the regulations issued there under.
FII	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended from time to time) registered with SEBI under applicable laws in India.
FIs	Financial Institutions
FIPB	Foreign Investment Promotion Board, Department of Economic Affairs, Ministry of Finance, Government of 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
FY / Fiscal	Financial Year
FVCI	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
GDP	Gross Domestic Product
GIR Number	General Index Registry Number
GOI/ Government	Government of India
HUF	Hindu Undivided Family
ICAI	Institute of Chartered Accountants of India
ICSI	Institute of Company Secretaries of India

TERMS	DESCRIPTION
INR / / Rupees	Indian Rupees, the legal currency of the Republic of India
Indian GAAP	Generally Accepted Accounting Principles in India
Insider Trading Regulation	The Securities and Exchange Board of India(Prohibition of Insider Trading) Regulation, 2015, as amended
IPO	Initial Public Offering
ISIN	International Securities Identification Number
Maternity Benefit Act	Maternity Benefit Act, 1961
M. A	Master of Arts
M.B.A	Master of Business Administration
M. Com	Master of Commerce
NA	Not applicable
NAV	Net Asset Value
No.	Number
Notified Section	The sections of Companies Act, 2013 that have been notified by MCA and are currently in effect
NR	Non Resident
NSDL	National Securities Depository Limited
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
RBI	The Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934, as amended from time to time
ROE	Return on Equity
ROC/Registrar of Companies	Registrar of Companies, Gujarat, Dadra and Nagar Haveli
RONW	Return on Net Worth
Sec	Sections
SME	Small And Medium Enterprises
USD/ \$/ US\$	The United States Dollar, the legal currency of the United States of America



Presentation of Financial, Industry and Market Data

Financial Data

Unless stated otherwise, the financial data in this Draft Prospectus is extracted from the financial statements of our Company for the fiscal years 2011, 2012, 2013, 2014 and 2015 and for the period ended December 31, 2015 and the restated financial statements of our Company for the fiscal years 2011, 2012, 2013, 2014 and 2015 and for the period ended December 31, 2015 prepared in accordance with the applicable provisions of the Companies Act and Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, 2009, as stated in the report of our Auditors and the SEBI Regulations and set out in the section titled "*Financial Information*" on page 114. Our restated financial statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act, and have been restated in accordance with the SEBI Regulations. Our fiscal years commence on April 1 and end on March 31. In this Draft Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All decimals have been rounded off to two decimal points.

There are significant differences between Indian GAAP, US GAAP and IFRS. Our Company has 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. Accordingly, the degree to which the Indian GAAP financial statements included in this Draft Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Prospectus should accordingly be limited.

CURRENCY OF PRESENTATION

All references to "Rupees" or "Rs.", "₹" or "INR" are to Indian Rupees, the official currency of the Republic of India. All references to "\$", "US\$", "USD", "U.S.\$" or "U.S. Dollar(s)" are to United States Dollars, if any, the official currency of the United States of America. This Draft Prospectus contains translations of certain U.S. Dollar and other currency amounts into Indian Rupees (and certain Indian Rupee amounts into U.S. Dollars and other currency amounts). These have been presented solely to comply with the requirements of the SEBI Regulations. These translations should not be construed as a representation that such Indian Rupee or U.S. Dollar or other amounts could have been, or could be, converted into Indian Rupees, at any particular rate, or at all.

In this Draft Prospectus, throughout all figures have been expressed in Lacs, except as otherwise stated. The word "Lacs", "Lac", "Lakhs" or "Lakh" means "One hundred thousand".

Any percentage amounts, as set forth in "*Risk Factors*", "*Our Business*", "*Management's Discussion and Analysis of Financial Conditions and Results of Operation*" and elsewhere in this Draft Prospectus, unless otherwise indicated, have been calculated based on our restated financial statement prepared in accordance with Indian GAAP.

DEFINITIONS

For definitions, please see the chapter titled "*Definitions and Abbreviations*" beginning on page 2 of this Draft Prospectus. In the section titled "*Main Provisions of the Articles of Association of our Company*" beginning on page 210 of this Draft Prospectus, defined terms have the meaning given to such terms in the Articles of Association.

INDUSTRY & MARKET DATA

Unless otherwise stated, Industry & Market data used throughout this Draft Prospectus has been obtained from internal Company reports and Industry publications and the information contained in those publications has been obtained from sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although we believe that industry data used in this Draft Prospectus is reliable, it has not been independently verified. Similarly, internal Company reports, while believed by us to be reliable, have not been verified by any independent sources.



The extent to which the market and industry data used in this Draft Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data.

FORWARD LOOKING STATEMENTS

Our Company has included statements in this Draft Prospectus, that contain words or phrases such as "will", "aim", "will likely result", "believe", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "shall", "contemplate", "seek to", "future", "objective", "goal", "project", "should", "will continue", "will pursue" and similar expressions or variations of such expressions that are "forward-looking statements". However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding our Company objectives, plans or goals, expected financial condition and results of operations, business, plans and prospects are also forward-looking statements.

These forward-looking statements include statements as to business strategy, revenue and profitability, planned projects and other matters discussed in this Draft Prospectus regarding matters that are not historical fact. These forward-looking statements contained in this Draft Prospectus (whether made by us or any third party) involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

All forward-looking statements are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results to differ materially from expectations include, among others General economic conditions, political conditions, regulatory changes pertaining to the relevant industry scenario in India, technological changes, our exposure to market risks which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, etc.

Further, the other important factors that could cause actual results to differ materially from expectations are as follows:

- Our ability to successfully implement our strategy, our growth and expansion, technological changes.
- Our exposure to market risks that have an impact on our business activities or investments.
- The monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and Globally.
- Changes in foreign exchange rates or other rates or prices;
- Our ability to protect our intellectual property rights and not infringing intellectual property rights of other parties;
- Changes in domestic and foreign laws, regulations and taxes and changes in competition in our industry.
- Changes in the value of the Rupee and other currencies.
- The occurrence of natural disasters or calamities.
- Changes in political condition in India.
- The outcome of legal or regulatory proceedings that we are or might become involved in;
- Government approvals;
- Our ability to compete effectively, particularly in new markets and businesses;
- Our dependence on our Key Management Personnel and Promoter;
- Conflicts of interest with affiliated companies, the Group Entities and other related parties;
- Other factors beyond our control; and
- Our ability to manage risks that arise from these factors.

For further discussion of factors that could cause Company's actual results to differ, see the section titled "*Risk Factors*" on page 11 of this Draft Prospectus. By their nature, certain risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Our Company, the Lead Manager, and their respective affiliates do not have any obligation to, and do not intend to, update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with 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.

Section II - Risk Factors

An Investment in equity involves higher degree of risks. Prospective investors should carefully consider the risks described below, in addition to the other information contained in this Draft Prospectus before making any investment decision relating to the Equity Shares. The occurrence of any of the following events could have a material adverse effect on the business, results of operation, financial condition and prospects and cause the market price of the Equity Shares to decline and you may lose all or part of your investment.

Prior to making an investment decision, prospective investors should carefully consider all of the information contained in this Draft Prospectus, including the sections titled "Business Overview", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the "Financial Information" included in this Draft Prospectus beginning on pages 25,133& 114 respectively. The occurrence of any of the following events could have a material adverse effect on our business, results of operation, financial condition and prospects and cause the market price of the Equity Shares to fall significantly.

Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein.

Materiality

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

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

The risk factors are as envisaged by the management. Wherever possible, the financial impact of the risk factors has been quantified.

Internal Risk Factors

1. *The property used by our Company for our registered office & our factory is not owned by us and we have only rights as a Lessee over the same. Any adverse impact on the title / ownership rights of the owner or breach of the terms / non renewal of the lease agreement may impede our effective operations and thus adversely affect our profitability.*

Our registered office & our factory is not owned by our Company and belongs to our Promoter Mr. Rajesh Kumar R. Mittal. He has permitted us to use the office on lease basis. Any adverse impact on his title/ownership rights on the premises from which we operate our registered office, or breach of the terms / non renewal of the lease agreement may cause disruption in our corporate affairs and business and impede our effective operations and thus adversely affect our profitability. For more information, see "Our Business—Properties" on page 74 of this Draft Prospectus.

2. *We are dependent on our management team for success whose loss could seriously impair the ability to continue to manage and expand business efficiently.*

Our success largely depends on the continued services and performance of our management and other key personnel. The loss of service of the management team and staff could seriously impair the ability to continue to manage and expand the business efficiently. Further, the loss of any of the senior management or other key personnel may adversely affect the operations, finances and profitability of our Company. Any failure or inability of our Company to efficiently retain and manage its human resources would adversely affect our ability to implement new projects and expand our business.

3. ***We have substantial indebtedness and will continue to have such obligations following the Issue. The total amounts outstanding and payable by our Company were Rs. 7983.56 Lacs as on December 31, 2015.***

The total amounts outstanding and payable by us on account of the loan arrangements with banks and other lenders as on December 31, 2015 are Rs. 7983.62 Lacs. Entire amounts outstanding and payable by us as secured loans were Rs. 4361.16 Lacs & unsecured loans were Rs.3622.46 Lacs as on December 31, 2015. For further information on the financing and loan agreements along with the total amounts outstanding and the details of the repayment schedule, see section titled “Financial Information of Our Company” on page 114 of this Draft Prospectus.

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

We have secured our lenders by creating charge over our movable and immovable properties. In the event we default in repayment of the loans availed by us and any interest thereof, our properties may be forfeited by lenders. For further information on the financing and loan agreements along with the total amounts outstanding; please refer to section titled “Financial Information of our Company” on page 114 of this Draft Prospectus.

5. ***Our existing manufacturing operation is geographically located at one place i.e. in Ahmedabad, Gujarat. Hence we may face the risk of geographical non-diversification of manufacturing facilities.***

Although we exercise centralized control, being a single point manufacturing facility will prove to be disadvantageous at times because of any disruption on account of labour unrest, power failures, natural calamities, or civic unrest. Our operations will have to be stalled which will impact our production, delivery of goods and financial results.

6. ***Our business is dependent on our manufacturing facility. The loss of or shutdown of operations of our manufacturing facility may have a material adverse effect on our business, financial condition and results of operations.***

Our manufacturing facility is subject to operating risks, such as the breakdown or failure of equipment, power supply or processes, performance below expected levels of output or efficiency, obsolescence, labour disputes, strikes, lock-outs, earthquakes and other natural disasters, industrial accidents and the need to comply with the directives of relevant government authorities. The occurrence of any of these risks could significantly affect our operating results. We carry out planned shutdowns of our plant for maintenance. Although we take precautions to minimize the risk of any significant operational problems at our facilities, our business, financial condition and results of operations may be adversely affected by any disruption of operations at our facilities, including due to any of the factors mentioned above.

7. ***The Company has not entered in to any agreements/contracts for the supply of raw material and other utilities. Risks related to shortfall or non-availability of raw material and other utilities may adversely affect our manufacturing processes and have an adverse impact on our operations and financial condition.***

We have not entered into any formal agreement with our suppliers, and hence we cannot be assured that all our raw material requirements will continue to be met by the suppliers. Our inability to obtain high quality raw materials in a timely and cost-effective manner would cause delays in our production and delivery schedules besides increasing cost of production, which may result in us losing some customers and hence could lead to reduction in revenues. Hence we also face market risks for each of these products.

8. ***Accidents in our factory may lead to public liability consequences. Further, the value of our brand, and our revenue could be diminished if we are associated with negative publicity.***

Occurrence of accidents at our manufacturing facility may expose our Company to pay compensation and

penalty to our workmen and third parties for any losses or damage to human life/health or the environment.

9. Rise in input costs may affect our profitability.

The input costs of the products of the Company may increase due to various reasons. In case the Company is not able to pass on such increase to the consumers because of competition or otherwise, it may affect the profitability of the Company.

10. We have entered into certain related party transactions and may continue to do so.

We have entered into related party transactions with our Promoters, Group Companies/Entities, Directors and related entities. While we believe that all such transactions have been conducted on the arms length basis, however it is difficult to ascertain whether more favorable terms would have been achieved had such transactions been entered with unrelated parties. Furthermore, it is likely that we will enter into related party transactions in the future. For details of these transactions, please refer to section titled "Related Party Transactions" at page 112 of this Draft Prospectus.

11. Changes in technology may affect our business by making our equipment or products less competitive or obsolete.

Our future success will depend in part on our ability to respond to technological advances and emerging steel industry standards and practices on a cost-effective and timely basis. Changes in technology and product preferences may make newer steel units or equipment more competitive than ours or may require us to make additional capital expenditures to upgrade our facilities. If we are unable to adapt in a timely manner to changing market conditions, customer requirements or technological changes, our business, financial performance and the trading price of our Equity Shares could be adversely affected.

12. We have transmitted the shares of one of the deceased shareholder Late Indravati Mittal for which some of the documents required for transmission were not available.

We have transmitted 2,29,097 equity shares held in the name of one of deceased shareholder Late Indravati Mittal to her granddaughter Ms. Riddhi R. Mittal for which some of the documents i.e Will of Late Indravati Mittal, succession certificate are not available with us.

13. As on March 31, 2015, 58.00 % of the total purchases was from a limited number of suppliers.

As on December 31, 2015, top two suppliers constituted 58.00% of the total purchases of the Company. Company's dependency on few suppliers could affect the financial position and operations of the Company if these suppliers fail to provide the raw materials of specified quality and quantity at proper time at reasonable rates to the company.

14. We have reported negative cash flows.

The detailed break up of cash flows is summarized in below mentioned table and our Company has reported negative cash flow in certain financial years and which could affect our business and growth:

(Rs.in Lacs)

Particulars	As at 31st December 2015	As at 31st March			
		2015	2014	2013	2012
Net Cash from Operating Activities	1140.35	599.99	(8.17)	659.53	442.59
Net Cash from Investing Activities	(225.49)	(194.30)	(1141.60)	(702.47)	(261.42)
Net Cash from Financing Activities	(871.58)	(451.25)	1412.45	44.06	(161.29)

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

A major portion of our total sales are made in certain regions in the State of Gujarat. Such geographical concentration of our business in these regions heightens our exposure to adverse developments related to competition, as well as economic and demographic changes in these regions which may adversely affect our business prospectus, financial conditions and results of operations. Factor such as competition, culture, regulator regimes, business practices and customs, industry needs, transportation in other markets where we may expand our operations may differ from those in Gujarat, and our experience in Gujarat may not be applicable to other markets. In addition, as we enter new markets and geographical areas, we are likely to compete not only with national players, but also local players who might have an established local presence, who are more familiar with local regulations, business practices and industry needs, have stronger relationships with local distributors, dealers, relevant government authorities, and who have access to existing markets or are in a stronger financial position than us, all of which may give them a competitive advantage over us. Our inability to expand into areas outside Gujarat markets may adversely affect our business prospects, financial conditions and results of operations, while our management believes that the Company has requisite expertise and vision to grow and mark its presence in other markets going forward and investors should consider our business and prospects in light of the risks, losses and challenges that we face as an early-stage company and should not rely on our results of operations for any prior periods as an indication of our future performance.

- 16. *Our Promoter, Directors as well as others has given personal guarantees in relation to certain debt facilities provided to us.***

Our Promoters, Directors as well as others has given personal guarantees in relation to our secured debt facilities availed from our Bankers. In the event any of these persons withdraws or terminates its/their guarantee, the lender for such facilities may ask for alternate guarantees, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantees satisfactory to the lender and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could adversely affect our financial condition. For more information please see the section titled "Financial Indebtedness" appearing on page 131.

- 17. *Our results of operations could be adversely affected by strikes, work stoppages or increased wage demands by our employees / workers or any other kind of disputes with our employees / workers.***

We operate in a labour intensive industry. There can be no assurance that we will not experience disruptions to our operations due to disputes or other problems with our work force, which may adversely affect our business and results of operations.

- 18. *Our Company has obtained insurance coverage which may not adequately cover all potential losses to which we may be subject to, and this may have a material adverse effect on our business, result of operations and financial conditions.***

Our insurance coverage may not adequately protect us against certain operating hazards and this may have a material adverse effect on our business. There can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part or on time. Accordingly, to the extent that we suffer loss or damage that is not covered by insurance or which exceeds our insurance coverage, our results of operations or cash flows may be affected. There is a risk that our insurance policies may not be sufficient in covering all losses in which we or any third parties may suffer. If we suffer in an event for which we are not adequately insured, there is a risk that it could have a material adverse effect on our business, results of operations and financial condition. For more information, see "Our Business" on page "74".

- 19. *We require a number of approvals, licenses, registration and permits for our business and failure to obtain or renew them in a timely manner may adversely affect our operations. In some cases, we may be operating without all the required permissions, risking civil and criminal sanctions.***

We may require several statutory and regulatory permits, licenses and approvals in the ordinary course of our business, some of which our Company has either received or is in the process of application. Many of these approvals are granted for fixed periods of time and need renewal from time to time. There can be no assurance that the relevant authorities will issue any of such permits or approvals in the time-frame anticipated by us or at all. Any failure by us to apply in time, to renew, maintain or obtain the required permits, licenses or approvals, or the cancellation, suspension, delay in issuance or revocation of any of the permits, licenses or approvals may result in the interruption of our operations and may have a material adverse effect on the business. For further details, please see chapters titled “Key Industry Regulations and Policies in India” and “Government and Other Approvals” at pages 81 and 147 respectively of this Draft Prospectus.

- 20. *Delay in raising funds from the IPO could adversely impact the implementation schedule.***

The proposed objects, as detailed in the section titled "Objects of the Issue" are to be largely funded from the proceeds of this IPO. We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the implementation schedule. We therefore, cannot assure that we would be able to execute the expansion process within the given timeframe, or within the costs as originally estimated by us. Any time overrun or cost overrun may adversely affect our growth plans and profitability.

- 21. *Our funding requirements and deployment of the issue proceeds are based on management estimates and have not been independently appraised by any bank or financial institution and actual cost may vary compared with the estimated amount.***

Our funding requirements and the deployment of the proceeds of the Issue are based on management estimates and our current business plan. The fund requirements and intended use of proceeds have not been appraised by bank or financial institution and are based on our estimates. In view of the competitive and dynamic nature of our business, we may have to revise our expenditure and fund requirements as a result of variations including in the cost structure, changes in estimates and other external factors, which may not be within the control of our management. This may entail rescheduling, revising or cancelling the planned expenditure and fund requirement and increasing or decreasing the expenditure for a particular purpose from its planned expenditure at the discretion of our board. In addition, schedule of implementation as described herein are based on management’s current expectations and are subject to change due to various factors some of which may not be in our control. The deployment of the funds towards the objects of the issue is entirely at the discretion of the Board of Directors/Management and is not subject to monitoring by external independent agency. However, the deployment of funds is subject to monitoring by our Audit Committee. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials.

- 22. *Our Company may require additional capital resources to achieve our expansion plans.***

The actual expenditure incurred for the object of the Issue may be higher than current estimates owing to but not limited to, implementation delays or cost overruns. We may, therefore, primarily try to meet such cost overruns through our internal generations and in case if the same is not adequate, we may have to raise additional funds by way of additional term debt from banks/ financial institutions and unsecured loans, which may have an adverse effect on our business and results of operations.

- 23. *Our Company has not complied with certain statutory provisions under Companies Act. Such non compliance/ lapses may attract penalties against our Company and officers in default.***

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

- Non-Compliance with Section 383A of the Companies Act 1956 and Section 203 of the

Companies Act 2013

- Non-Compliance with the Companies (Compliance Certificate) Rules, 2001.
- Non-Compliance with Section 138 of Companies Act 2013.
- Non-Compliance with Section 160 of Companies Act 2013.

Further our Company has delayed in filing of some forms under Companies Act. Such delay/non compliances may in the future initiate statutory penalties against our Company and officers in default.

24. *Some of the transfer deeds in relation to the Company are misplaced and currently not traceable.*

The transfer deeds prior to August 10, 2011 in relation to the transfer of shares of our Company were misplaced while transporting them for certain purposes. Further, while details of such transfers have been included in the register of transfer and transmission and register of members maintained by the Company in accordance with the Companies Act, we cannot assure you that these deeds will be available in the future or that we will not be subject to any penalty imposed by the competent regulatory authority in this respect.

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

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

26. *We do not have a track record for payment of dividend on Equity Shares.*

We have not declared any dividend on our Equity Shares since inception as we had been deliberately pursuing the policy of covering back our profits to fund our expansion plans. The future payment of dividends, if any, would be based on the then available distributable profits and the recommendations of our Board of Directors.

27. *Our Board of Directors and Management may change our operating policies and strategies without prior notice or shareholders approval.*

Our Board of Directors and Management has the authority to modify certain of our operating policies and strategies without prior notice (except as required by law) and without shareholder's approval. We cannot predict the effect of any changes to our current operating policies or strategies, on our business, operating results and the price of our Equity Shares.

28. *Relevant copies of educational qualifications of some of our Promoters, Directors and Key Managerial Personnel are not traceable.*

Relevant copies of the educational qualifications of Mr. Rajesh Kumar R. Mittal, Ms. Preeti R. Mittal, Mr. Saurin S. Shah, are not traceable. We cannot assure you that the back-ups for the relevant copies of the educational qualifications will be available in a timely manner or at all.

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

Upon completion of this Issue, our Promoters and Promoter Group will continue to own a majority of our Equity Shares. As a result, our Promoters will have the ability to exercise significant influence over all matters requiring shareholders' approval. Our Promoters will also be in a position to influence any shareholder action or approval requiring a majority vote, except where they may be required by applicable

law to abstain from voting. This control could also delay, defer or prevent a change in control of our Company, impede a merger, consolidation, takeover or other business combination involving our Company, or discourage a potential acquirer from obtaining control of our Company even if it is in the best interests of our Company. The interests of our Promoters could conflict with the interests of our other equity shareholders, and the Promoters could make decisions that materially and adversely affect your investment in the Equity Shares.

30. We may not be successful in implementing our business strategies.

The success of our business depends substantially on our ability to implement our business strategies effectively or at all. Even though we have successfully executed our business strategies in the past, there is no guarantee that we can implement the same on time and within the estimated budget going forward, or that we will be able to meet the expectations of our targeted customers. Changes in regulations applicable to us may also make it difficult to implement our business strategies. Failure to implement our business strategies would have a material adverse effect on our business and results of operations.

Prominent Notes:

1. Public Issue of 23,40,000 Equity Shares of Rs.10 each (“Equity Shares”) for cash at a price of Rs. 38 per Equity Share (including share premium of Rs.28/- per share), aggregating to Rs. 889.20 lacs (“the Issue”) by Riddhi Steel and Tube Limited (“RSTL” or the “Company” or the “Issuer”) Out of the Issue, 1,26,000 Equity Shares of Rs. 10 each at a price of Rs.38 per Equity Share aggregating to Rs. 47.88 lacs, which will be reserved for subscription by Market Maker to the issue (the “Market Maker reservation portion”) and Net Issue to the Public of 22,14,000 Equity Shares of Rs.10 each at a price of Rs.38 each per Equity Share aggregating to Rs.841.32 lacs (hereinafter referred to as the “Net Issue”). The Issue and the Net Issue will constitute 28.23% and 26.71%, respectively of the post issue paid up Equity Share capital of the 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 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:
 - 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 average cost of acquisition of Equity Shares by our Promoters:

(in Rs.)

Name of the Promoters	No. of Shares held	Average cost of Acquisition (in Rs.)
Mr. Rajesh Kumar R. Mittal	429350	22.40
Ms. Preeti R. Mittal	2957004	10.51
Mr. Rajat R. Mittal	1414538	13.13
Ms.Riddhi R. Mittal	341238	13.30

Note :The average cost of acquisition of our Equity Shares by our Promoters has been calculated by taking into account the amount paid by them to acquire, by way of fresh issuance or transfer the Equity Shares. For more information, please refer to the section titled “Capital Structure” on page 38.

4. Our Net worth as on December 31, 2015 is Rs. 2167.71 Lacs as per Restated Financial Statements.
5. The Book Value per share as on December 31, 2015 is Rs. 36.43 as per Restated Financial Statements.
6. There was no change in the name of the Company at any time during last three years immediately preceding the date of filing of this offer document except conversion of the Company from Private Limited Company to Public Limited Company. For further details, please refer to the section titled "History and Certain Other Corporate Matters" on page 90 of this Draft Prospectus.
7. In the event of over subscription, allotment shall be made on proportionate basis in consultation with the BSE Limited, the Designated Stock Exchange. For more information, please refer to "Basis of Allotment" on page 179 of this Draft Prospectus. 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.
8. Investors are advised to refer to the paragraph on "Basis for Issue Price" on page 58 of this Draft Prospectus before making an investment in this Issue.
9. No part of the Issue proceeds will be paid as consideration to Promoters, Promoter Group, Directors, key management employee, associate companies, or Group Companies.
10. Investors may contact the Lead Manager or the Compliance Officer for any complaint / clarifications / information pertaining to the Issue. For contact details of the Lead Manager and the Compliance Officer, refer the front cover page.
11. Other than as stated in the section titled "Capital Structure" beginning on page 38 of this Draft Prospectus, our Company has not issued any Equity Shares for consideration other than cash.
12. Except as stated in the sections titled "Capital Structure" beginning on page 38 of this Draft Prospectus, we have not issued any Equity Shares in the last twelve months.
13. Except as disclosed in the sections titled "Our Promoters and Promoter Group" or "Our Management" beginning on pages 104 and 93 respectively of this Draft Prospectus, none of our Promoters, our Directors and our Key Managerial Employees have any interest in our Company except to the extent of remuneration and reimbursement of expenses and to the extent of the Equity Shares held by them or their relatives and associates or held by the companies, firms and trusts in which they are interested as directors, member, partner and/or trustee and to the extent of the benefits arising out of such shareholding.
14. Any clarification or information relating to the Issue shall be made available by the LM and our Company to the investors at large and no selective or additional information would be available for a section of investors in any manner whatsoever. Investors may contact the LM for any complaints pertaining to the Issue. Investors are free to contact the LM for any clarification or information relating to the Issue who will be obliged to provide the same to the investor.
15. Trading in Equity Shares of our Company for all investors shall be in dematerialised form only.
16. For transactions in Equity Shares of our Company by the Promoters, Promoter Group and Directors of our Company in the last six (6) months, please refer to paragraph under the section titled "Capital Structure" on page 38 of this Draft Prospectus.
17. There are no contingent liabilities as on December 31, 2015.
18. For details of any hypothecation, mortgage or other encumbrances on the movable and immovable properties of our Company please refer to the section titled "Financial Information" on page 114 of this Draft Prospectus.
19. Except as disclosed in the section titled "Group Companies / Entities" on page 109, none of our Group Companies have business interest in our Company.



20. For interest of Promoters please refer to the section titled “Our Promoters and Promoter Group” beginning on page 104 of this Draft Prospectus.
21. The details of transactions with the Group Companies and other related party transactions are disclosed under the section titled “Financial Information” on page 114 of the Draft Prospectus.

SECTION III: INTRODUCTION

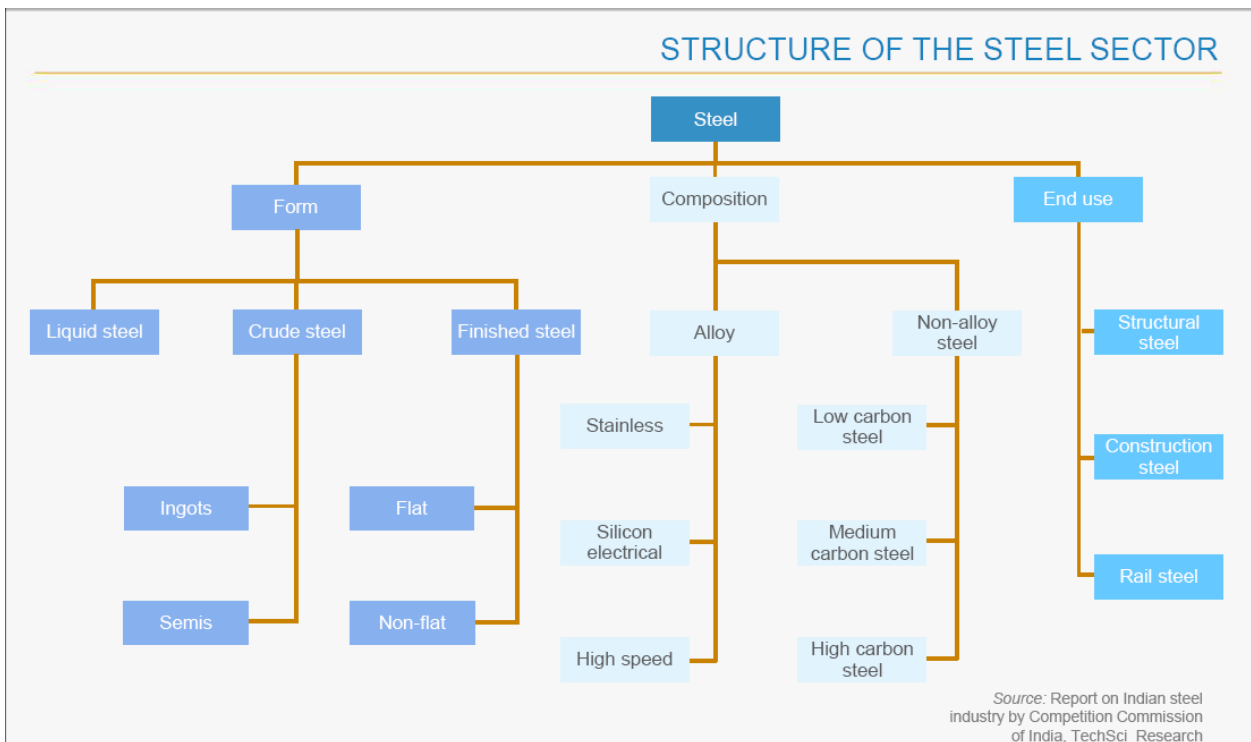
Summary Of Our Industry

This is only the summary and does not contain all information that you shall consider before investing in Equity Shares. You should read the entire Draft Prospectus, including the information on “Risk Factors” and related notes on page 11 of this Draft Prospectus before deciding to invest in Equity Shares.

INDUSTRY OVERVIEW

Steel Industry Overview :

Steel is a metal alloy consisting of iron as the key component. Steel also consists of carbon and other alloys, which vary according to the grade of steel, and is generally considered to be a cornerstone of industrial development. Steel is highly versatile, as it is hot and cold formable, weldable, hard, lustrous, a good conductor of heat and electricity, malleable, ductile, recyclable and resistant to corrosion, water and heat. The industries in which steel is used include construction, automotive and transportation and engineering. Steel is also used in the production of power lines, pipelines, electrical and electronic appliances and containers.



Indian Steel Industry :

India is the world’s third-largest producer of crude steel (up from eighth in 2003) and is expected to become the second-largest producer by 2016. The growth in the Indian steel sector has been driven by domestic availability of raw materials such as iron ore and cost-effective labour. Consequently, the steel sector has been a major contributor to India’s manufacturing output.

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

Market Size:

Total finished steel production in India has increased at a CAGR of 7.45 per cent over FY 11-15 to 91.46 million tonnes per annum (MTPA). The country has become the third-largest crude Steel producer in 2015, as large public and private sector players strengthen steel production capacity in view of rising demand. Moreover, capacity is also expected to increase from 100 million tonnes (MT) to 112.5 MT by FY 16 while in coming 10 years the country is anticipated to produce 300 MT of steel.

India's crude steel capacity reached 109.85 million tonnes (MT) in 2014-15, a growth of 7.4 per cent. Production of crude steel grew by 8.9 per cent to 88.98 MT. Total finished steel production for sale increased by 5.1 per cent to 92.16 MT. Consumption of total finished steel increased 3.9 per cent to 76.99 MT.

The steel sector in India contributes nearly two per cent of the country's gross domestic product (GDP) and employs over 600,000 people. The per capita consumption of total finished steel in the country has risen from 51 Kg in 2009-10 to about 59 Kg in 2014-15. India's steel consumption for FY 2015-16 is estimated to increase by 7 per cent, higher than 2 per cent growth last year, due to improving economic activity.

Trend and Technology:

Growing investments:

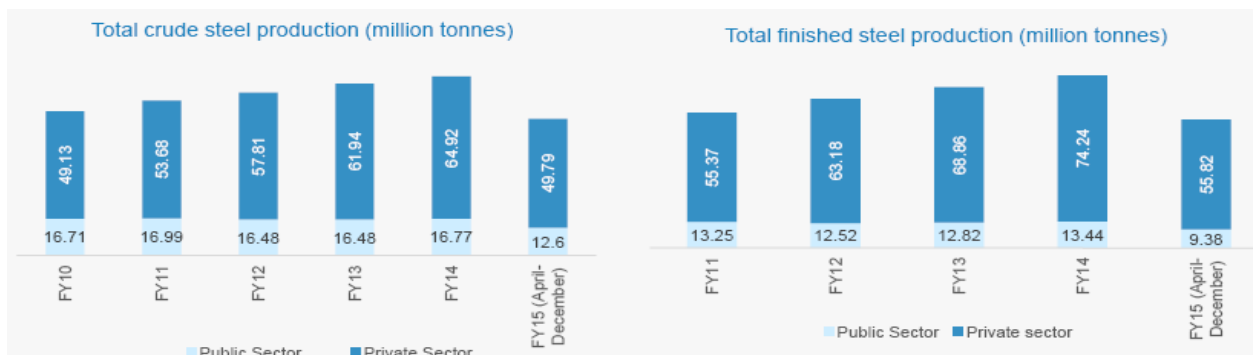
- To enhance capacity by 488.66 million tonnes, 301 MOUs have been signed with states
- Potential steel addition capacity would attract an investment of USD83 to USD166 billion
- India is expected to become the second largest crude steel producer globally by 2015-16
- Most of the companies in the industry are undertaking modernization and expansion of plants to be more cost efficient.

Increased emphasis on technological innovations:-

- Indian steel companies have now started benchmarking their facilities and processes against global standards, to enhance productivity
- These steps are expected to help Indian companies improve raw material and energy consumption as well as improve compliance with environmental and pollution yardsticks
- Companies are attempting coal gasification and gas-based Direct-Reduced Iron (DRI) production. Other alternative technologies such as HIs melt, Finex and ITmk3 being adopted to produce hot metal
- Ministry of Steel has issued necessary direction to the steel companies to frame a strategy for taking up more R&D projects by spending at least 1 per cent of their sales turnover on R&D to facilitate technological innovations in the steel sector.
- Ministry has established a task force to identify the need for technology development and R&D
- Ministry has adopted energy efficiency improvement projects for mills operating with obsolete technologies

Finished steel production increased 7.72 percent from 85.0 MT to 91.46 MT in FY 14; analysts expect production figures to improve rapidly over the next five years, with the Ministry of Steel forecasting production levels at 115.3 MT by FY 17

The steel sector contributes 2% to the GDP of the nation and provides 6 lakh jobs in the country.



Segments:

As steel demand emanates from the various end using segments, category wise estimates of steel demand is best related to the activity levels in segments that account for a major share of consumption of steel in that category for instance, in construction, automobile, railway transport, transportation of oil & gas, ship building, capital goods (heavy machinery equipments), consumer durables, agricultural equipments, etc. would by and large account for a significant portion of steel consumption.

Opportunities:

Automotive:

- The automotives industry is forecasted to grow in size by USD74 billion to 260- 300 billion from 2015 to 2026.
- With increasing capacity addition in the automotive industry, demand for steel from the sector is expected to be robust.

Capital goods:

- The capital goods sector accounts for 11 per cent of steel consumption and expected to increase 14/15 per cent by 2025-26, and has the potential to increase in tonnage and market share.
- Corporate India's capex is expected to grow and generate greater demand for steel.

Infrastructure:

- The infrastructure sector accounts for 9 per cent of steel consumption and expected to increase 11 per cent by 2025-26.
- Due to such a huge investment in infrastructure the demand for long steel products would increase in the years ahead.

Airports:

- More and more modern and private airports are expected to be set up.
- Development of Tier- II city airports would sustain consumption growth.
- Estimated steel consumption in airport building is likely to grow more than 20 per cent over next few years.

Railways:

- The Dedicated Rail Freight Corridor (DRFC) network expansion would be enhanced in future.
- Gauge conversion, setting up of new lines and electrification would drive steel demand.
- Indian Railways started the PPP mode of funding and has already awarded projects worth around USD1.73 billion during the first seven months (April-October) of FY16.

Oil and gas :

- The liquid fuel transportation pipeline network is likely to grow from the present 16,800 km to 22,000 km in 2014.
- This would lead to an increase in demand of steel tubes and pipes, providing a lucrative opportunity to the steel industry.
- Investment of USD70 billion are expected during 2012-17.

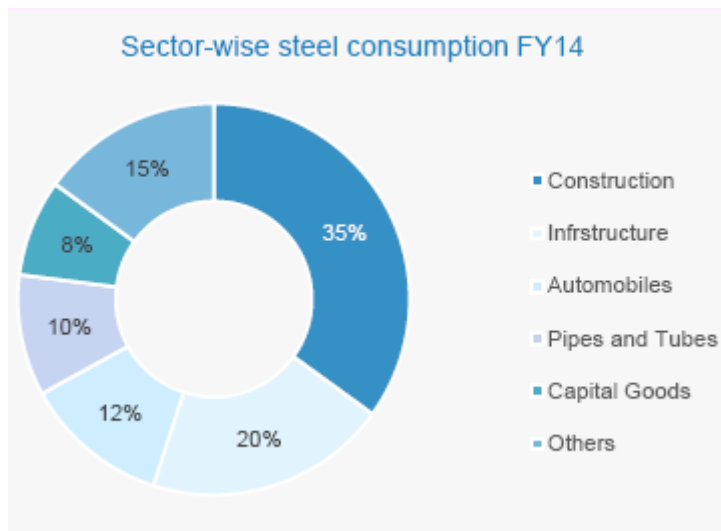
Power:

- The government targets capacity addition of 88.5 GW under the 12th Five-Year Plan (2012–17) and around 100 GW under the 13th Five-Year Plan (2017–22).
- Both generation and transmission capacities would be enhanced, thereby raising steel demand from the sector

Rural India:

- Rural India is expected to reach per capita consumption of 12.11 kg to 14 kg for finished steel by 2020.
- Policies like Bharat Nirman and Rajiv Gandhi Awas Yojna are driving growing demand for construction steel in rural India.

Sector wise Steel Consumption:



Investments:-

Steel industry and its associated mining and metallurgy sectors have seen a number of major investments and developments in the recent past. According to the data released by Department of Industrial Policy and Promotion (DIPP), the Indian metallurgical industries attracted Foreign Direct Investments (FDI) to the tune of US\$ 8.7 billion, respectively, in the period April 2000–September 2015.

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

- National Mineral Development Corporation (NMDC) has planned to invest Rs 40,000 crore (US\$ 6.1 billion) in the next eight years to achieve mining capacity of 75 million tonnes per annum (MTPA) by FY2018-19 and 100 MTPA by FY2021-22, compared to 48 MTPA current capacity.
- Posco Korea, the multinational Korean steel company, has signed an agreement with Shree Uttam Steel and Power (part of Uttam Galva Group) to set up a steel plant at Satarda in Maharashtra.
- Iron ore output in India is expected to increase by 25 per cent to 153 Million Tonnes in FY 2016, which in turn will help reduce iron ore imports by two-thirds to five Million Tonnes, SAIL plans to invest US\$23.8 billion to increase the steel production to 50 MTPA by 2025.
- Arcelor Mittal, world’s leading steel maker, has agreed a joint venture with Steel Authority of India Ltd (SAIL) to set up an automotive steel manufacturing facility in India.



- Iran has evinced interest in strengthening ties with India in the steel and mines sector, said ambassador of the Islamic Republic of Iran, Mr. Gholamreza Ansari in his conversation with Minister of Steel and Mines, Mr. Narendra Singh Tomar.
- Public sector mining giant NMDC Ltd. will set up a greenfield 3-million tonne per annum steel mill in Karnataka jointly with the state government at an estimated investment of Rs 18,000 crore (US\$ 2.8 billion).
- JSW Steel has announced to add capacity to make its plant in Karnataka the largest at 20 MT by 2022.

Government Initiatives:-

The Government of India is aiming to scale up steel production in the country to 300 MT by 2025 from 81 MT in 2013-14. The Ministry of Steel has announced to invest in modernisation and expansion of steel plants of Steel Authority of India Limited (SAIL) and Rashtriya Ispat Nigam Limited (RINL) in various states to enhance the crude steel production capacity in the current phase from 12.8 MTPA to 21.4 MTPA and from 3.0 MTPA to 6.3 MTPA respectively.

The Minister of Steel & Mines, Mr. Narendra Singh Tomar, has reiterated commitment of Central Government to support the steel industry to reach a production target of 300 Million Tonne Per Annum (MTPA) in 2025.

The Ministry of Steel is facilitating setting up of an industry driven Steel Research and Technology Mission of India (SRTMI) in association with the public and private sector steel companies to spearhead research and development activities in the iron and steel industry at an initial corpus of Rs 200 crore (US\$ 31.67 million).

Some of the other recent government initiatives in this sector are as follows:

- Government of India plans to auction eight coal blocks with reserves of 1,143 million tonnes to steel and cement firms in January 2016, as per coal secretary Mr. Anil Swarup.
- Government has planned Special Purpose Vehicles (SPVs) with four iron ore rich states i.e., Karnataka, Jharkhand, Orissa, and Chhattisgarh to set up plants having capacity between 3 to 6 MTPA.
- SAIL plans to invest US\$ 23.8 billion for increasing its production to 50 MTPA by 2025. SAIL is currently expanding its capacity from 13 MTPA to 23 MTPA, at an investment of US\$ 9.6 billion.
- A Project Monitoring Group (PMG) has been constituted under the Cabinet Secretariat to fast track various clearances/resolution of issues related to investments of Rs 1,000 crore (US\$ 152 million) or more.
- To increase domestic value addition and improve iron ore availability for domestic steel industry, duty on export of iron ore has been increased to 30 per cent.

Road ahead:-

India is expected to become the world's second largest producer of crude steel in the next 10 years, moving up from the third position, as its capacity is projected to increase to about 300 MT by 2025. Huge scope for growth is offered by India's comparatively low per capita steel consumption and the expected rise in consumption due to increased infrastructure construction and the thriving automobile and railways sectors.

Exchange Rate: INR 1 = US\$ 0.015 as on December 17, 2015

Sources: www.ibef.org



Summary of our Business

Our Company was originally incorporated on September 07, 2001, as Riddhi Steel and Tube Private Limited under the provisions of the Companies Act, 1956 with the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Our Company was converted into a public limited company and accordingly the name of our Company was changed to Riddhi Steel and Tube Limited pursuant to a special resolution passed by our Shareholders at the EGM held on January 08, 2016. A fresh certificate of incorporation consequent upon conversion to public limited company was issued on February 01, 2016.

We are engaged in the manufacturing of black and galvanized steel pipes in the various sizes having wide application in varied industries including power sector, agro based industries, construction industries, structural, scaffolding, irrigation and engineering industries, air and gas transportation, fire fighting applications etc. We also manufacture steel square hollow sections (SHS) and rectangular hollow sections (RHS) in a various size and thickness.

We are currently operating from Ahmedabad, Gujarat and the Promoters of our Company are Mr. Rajesh Kumar R. Mittal, Ms. Preeti R. Mittal, Mr. Rajat R. Mittal & Ms Riddhi R. Mittal. Our manufacturing unit is located at 83/84, Village Piplaj, Pirana Road, Aslali, Ahmedabad- 382427 and has an installed capacity of 60,000 MT p.a. In addition to that we have various dealers all across India selling our goods.

We are ISO 9001:2008 certified Company in compliance with quality management system and have also attained the license from the Bureau of Indian Standard for our various products. Please refer page 147 under section titled “Government Approval” of this Draft Prospectus.

We endeavour to satisfy our customer by continuous improvement through process innovation and quality maintenance. We aim to grow our operations on PAN India basis and make our brand as distinguished name in steel tube manufacturing industry.

Our Manufacturing Unit

We produced 30934.52 MT in the financial year 2014-15 whereas we have an installed capacity of 60,000 MT per annum. The manufacturing unit is located at 83/84, Village Piplaj, Pirana Road, Aslali, Ahmedabad- 382 427.

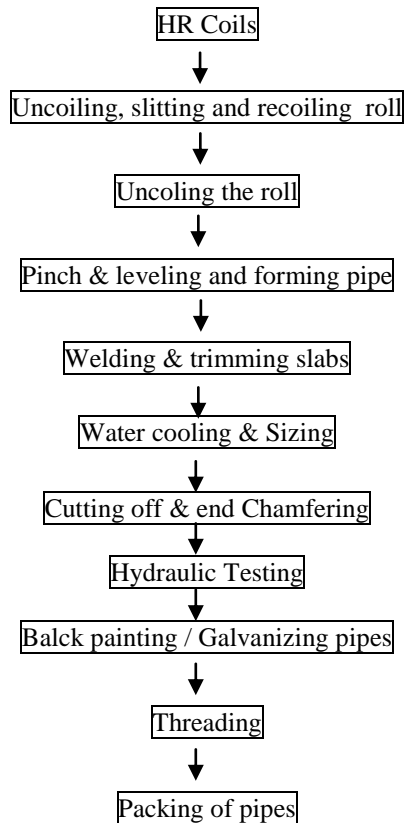
Past Production Figures:

Particular	For the Financial Year						
	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16 (Estimated)	2016-17 (Estimated)
Installed Capacity (MT)	12,000.00	12,000.00	60,000.00	60,000.00	60,000.00	60,000.00	60,000.00
Capacity Utilization (MT)	16775.90*	19817.92*	23658.57	24709.32	30934.52	31750.00	34000.00
Capacity Utilization (%)	139.80	165.14	39.43	41.18	51.55	52.91	56.67

* Working in multiple shifts

For manufacturing steel tubes and pipes, we use equipments like Slitting Line, Tube Mill Machine, HF Welder, Angle Grinder, Strighting Machine ,cranes, Welding Machine, Burners, Material Handling Trolley etc.,

Manufacturing Process



The process of manufacturing of our products

HR Coils are slitted to predetermined width for each size of pipe and thickness. Slitted coils are uncoiled at the entry of ERW mill and the ends sheared and welded one after another to make it a single endless strip.

The steel strip is made to pass through set of forming and fin rolls and is moulded in a circular shape. At the welding stage, strip edges are heated to a plastic stage and fused thus ensuring a perfect sound weld without addition of any foreign material. Alternating current with high frequency is directed to heat the strips edges. The outside and inside surface (if needed) is flushed by removing the excess and weld through tolls.

The pipes are then passed through set of sizing roll for achieving dimensional accuracy as per standard requirement. The pipes are machine cut to the required length by flying saw cutter / disc cutter. The pipes are further processed through end facing for burr removal / bevelling. Each pipe is hydraulically tested at the required test pressure and then sent for galvanizing, threading and varnishing etc.

At the last, finished pipes are bundled in desired number of pieces as per requirement and packed properly for safe storage until delivery.

Summary of Financials

The following summary of financial statements have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations 2009 and restated as described in the Peer Review Auditor's Report in the chapter titled "Financial Statements" beginning on page 114 of this Draft Prospectus. The summary financial information presented below should be read in conjunction with our restated financial statements for the period ended December 31, 2015 and for the year ended March 31, 2015, 2014, 2013, 2012 and 2011 including the notes thereto and the chapter titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" on page 133 of this Draft Prospectus.

Statement of Assets and Liabilities, as Restated

ANNEXURE-I

(Rs. in Lacs)

Particulars	December 31, 2015	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Equity & Liabilities						
Shareholders' Funds						
Share Capital	595.02	595.02	595.02	499.02	499.02	499.02
Reserve & Surplus	1572.69	1390.73	1139.31	908.55	690.90	519.01
Total (A)	2167.71	1985.75	1734.33	1407.57	1189.92	1018.03
Non Current Liabilities						
Share Application Money						
Long Term Borrowings	4181.90	3549.22	3157.57	634.04	292.11	313.17
Deferred Tax Liabilities (Net)	106.98	94.31	88.78	37.84	20.73	21.75
Long Term Provisions						
Total (B)	4288.88	3643.53	3246.35	671.88	312.84	334.92
Current Liabilities						
Short Term Borrowings	3801.73	3934.90	3611.83	4059.76	3465.47	2934.13
Trade Payables	45.40	32.80	375.82	77.97	52.78	43.66
Other Current Liabilities	293.13	457.56	471.03	127.35	159.93	274.89
Short Term Provisions	98.04	136.90	91.60	103.49	100.20	70.05
Total (C)	4238.30	4562.16	4550.28	4368.56	3778.38	3322.73
Total (D=A+B+C)	10694.89	10191.44	9530.96	6448.01	5281.14	4675.68
Assets						
Fixed Assets	2411.48	2427.38	2543.77	1641.36	1093.58	983.86
Non Current Investments						
Long Term Loans & Advances	1501.40	866.64	576.22	570.09	266.78	91.28
Other Non Current Assets						
Total (E)	3912.88	3294.02	3119.99	2211.45	1360.36	1075.14
Current Assets						
Current Investments	-	-	-	-	-	-
Inventories	2078.51	2225.76	2222.85	1810.87	1741.50	1280.33
Trade Receivables	3888.13	3356.93	3276.19	2108.78	1873.75	1897.72
Cash & Bank Balances	299.93	256.65	302.21	39.49	38.37	18.49
Short Term Loans & Advances	515.44	1058.09	609.72	277.42	267.16	404.01
Other Current Assets	-	-	-	-	-	-
Total (F)	6782.01	6897.42	6410.97	4236.56	3920.78	3600.54
Total (G=E+F)	10694.89	10191.44	9530.96	6448.01	5281.14	4675.68

Statement of Profit and Loss, as Restated

ANNEXURE-II

(Rs. in Lacs)

Particulars	December 31, 2015	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Income						
Revenue from Operations						
Revenue From Sale of Products	15394.81	23389.07	20608.76	17944.02	14753.16	11965.44
Revenue From Sales of Service	-	-	0.7	-	2.25	-
Revenue from Other Operating	98.61	107.69	117.61	90.85	290.14	230.38
Total	15493.42	23496.76	20727.06	18034.87	15045.55	12195.82
Expenditure						
Purchases & Direct Expenses	13308.24	20815.34	18235.99	16474.12	13871.71	10910.93
Decrease / (Increase) in Stock in Trade	99.76	(108.59)	202.36	(269.63)	(709.09)	-105.36
Other Expenses (MA&S Expenses)	807.79	1177.83	866.64	689.28	893.1	716.82
Employees Benefit Expenses	29.4	51.66	74.05	65.25	57.78	52.61
Preliminary Expenses Written Off	-	-	-	-	-	-
Total	14245.19	21936.26	19379.04	16959.02	14113.5	11575
Profit before Depreciation, Interest and Tax	1248.22	1560.5	1348.02	1075.85	932.05	620.82
Depreciation	241.39	308.16	239.15	154.69	151.7	125.02
Profit before Interest & Tax	1006.83	1252.34	1108.87	921.16	780.35	495.8
Interest & Finance Charges	736.33	875.55	753.02	594.59	520.2	318.94
Net Profit before Tax	270.5	376.79	355.85	326.57	260.15	176.86
Less: Provision for Taxes	88.54	123.61	127.11	109.93	89.9	65.71
Net Profit After Tax & Before Extraordinary Items	181.96	253.18	228.74	216.64	170.25	111.15
Extra Ordinary Items (Net of Tax)	-	-	-	-	-	-
Net Profit	181.96	253.18	228.74	216.64	170.25	111.15

Statement of Cash Flow, as Restated

ANNEXURE-III

(Rs. in Lacs)

Particulars	December 31, 2015	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
CASH FLOW FROM OPERATING ACTIVITIES						
Net profit before taxes	270.5	376.79	355.85	326.57	260.15	176.86
Adjustment for:						
Add: Depreciation	241.39	308.16	239.15	154.69	151.7	125.02
Add: Preliminary Expenses written off	0	0	2.02	1.01	1.63	1.63
Add: Preliminary Expenses incurred during year	0	0	0	0	0	(5.05)
Add: Sundry Balance written Back	0	0	1.52	(16.53)	(2.35)	0
Add: Interest & Finance Charges	736.33	875.55	753.02	588.85	496.07	308.71
Operating Profit before Working capital changes	1248.22	1560.5	1351.56	1054.59	907.2	607.17
Adjustments for:						
Decrease (Increase) in Current Investments	0	0	0	0	0	0
Decrease (Increase) in Inventories	147.25	(2.91)	(411.98)	(69.37)	(461.17)	(150.7)
Decrease (Increase) in Trade Receivables	(531.20)	(80.74)	(1168.92)	(235.03)	23.97	(573.97)
Decrease (Increase) in Short Term Loans & Advances	542.65	(448.37)	(332.30)	(10.26)	136.85	(293.37)
Decrease (Increase) in Other Current Assets	0	0	0	0	0	0
Increase (Decrease) in Short Term Borrowings	0	0	0	0	0	0
Increase (Decrease) in Trade Payables	12.6	(343.02)	297.85	41.72	11.47	(95.54)
Increase (Decrease) in Other Current Liabilities	(164.43)	(13.47)	343.68	(32.58)	(114.96)	232.79
Increase (Decrease) in Short Term Provisions	(38.86)	45.3	(11.89)	3.29	30.15	43.79
Increase (Decrease) in Deferred Tax Liabilities	0	0	0	0	0	0
Net Changes in Working Capital	(31.99)	(843.21)	(1283.56)	(302.23)	(373.69)	(837.00)
Less: Taxes Paid	(75.88)	(117.30)	(76.17)	(92.83)	(90.92)	(65.00)
Net Cash Flow from Operating Activities (A)	1140.35	599.99	(8.17)	659.53	442.59	(294.83)
CASH FLOW FROM INVESTING ACTIVITIES						
Sale /(Purchase) of Fixed Assets	(225.49)	(194.3)	(1141.56)	(702.47)	(261.42)	(291.38)
Net Cash Flow from Investing Activities (B)	(225.49)	(194.3)	(1141.56)	(702.47)	(261.42)	(291.38)
Issue of share capital	0	0	96.00	0	0	337.3

Proceeds / (Refund) from Share Application Money	0	0	0	0	0	0
Sale / (Purchase) of Non Current Investments	0	0	0	0	0	0
Interest & Finance Charges	(736.33)	(875.55)	(753.02)	(588.85)	(496.07)	(308.71)
Increase / (Repayment) of Long Term Borrowings	632.68	391.65	2523.53	341.93	(21.06)	(63.81)
Increase / (Repayment) of Short Term Borrowings	(133.17)	323.07	(447.93)	594.29	531.34	697.05
Decrease (Increase) in Long Term Loans & Advances	(634.76)	(290.42)	(6.13)	(303.31)	(175.5)	(81.36)
Net Cash Flow from Financing Activities (C)	(871.58)	(451.25)	1412.45	44.06	(161.29)	580.47
Net Increase / (Decrease) in Cash & Cash Equivalents	43.28	(45.56)	262.72	1.12	19.88	(5.74)
Cash and cash equivalents at the beginning of the year / Period	256.65	302.21	39.49	38.37	18.49	24.23
Cash and cash equivalents at the end of the year/ Period	299.93	256.65	302.21	39.49	38.37	18.49

Issue Details

Present Issue In Terms Of This Draft Prospectus

Equity Shares Offered: Public Issue of Equity Shares by our Company	23,40,000 Equity Shares of Rs. 10.00 each (the “Equity Shares”) for cash at a price of Rs.38.00 per Equity Share aggregating to Rs. 889.20 lacs
Of which:	
Issue Reserved for the Market Maker	1,26,000 Equity Shares of Rs. 10.00 each at a price of Rs. 38.00 per Equity Share aggregating Rs. 47.88 Lacs
Net Issue to the Public	22,14,000 Equity Shares of Rs.10.00 each at a price of Rs.38.00 per Equity Share aggregating Rs.841.32 Lacs
Equity Shares outstanding prior to the Issue	59,50,252 Equity Shares of face value of Rs. 10.00 each
Equity Shares outstanding after the Issue	82,90,252 Equity Shares of face value of Rs. 10.00 each
Objects of the Issue	Please refer section titled “Objects of the Issue” on page 52 of this Draft Prospectus

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 no.164 of this Draft Prospectus.

The Issue has been authorized by a resolution of the Board of Directors, dated February 23, 2016 and by a resolution of the shareholders of our Company in the EGM held on March 19, 2016 under section 62(1) (c) of the Companies Act, 2013.

As per Regulation 43(4) of the SEBI (ICDR) Regulations, as amended, since the 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:
 - 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.



General Information

Our Company was originally incorporated on September 07, 2001, as Riddhi Steel and Tube Private Limited under the provisions of the Companies Act, 1956 with the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Our Company was converted into a public limited company and accordingly the name of our Company was changed to Riddhi Steel and Tube Limited pursuant to a special resolution passed by our Shareholders at the EGM held on January 08, 2016. A fresh certificate of incorporation consequent upon conversion to public limited company was issued on February 01, 2016 by Registrar of Companies, Ahmedabad, Gujarat.

Registration Number	039978
Company Identification Number	U27106GJ2001PLC039978
Address of Registered Office of our Company	83/84, Village - Kamod, Piplaj Pirana Road , Post - Aslali, Ahmedabad- 382427 Gujarat, India Tel: +91-79-27543974 Fax No.: +91 - 79 - 26768656 Email: riddhiacc@rediffmail.com Website: www.riddhitubes.com
Address of Registrar of Companies	ROC Bhavan, Opp Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013 Tel: 079-27437597, Fax: 079-27438371, Email: roc.ahmedabad@mca.gov.in
Designated Stock Exchange	BSE Limited
Listing of Shares offered in this Issue	SME Platform of BSE
Contact Person:	Mr. Neel G. Sukhani, 83/84, Village - Kamod, Piplaj Pirana Road, Post - Aslali, Ahmedabad- 382427 Gujarat, India Tel: +91-79-27543974 Fax No.: +91 - 79 - 26768656 Email: riddhiacc@rediffmail.com Website: www.riddhitubes.com

BOARD OF DIRECTORS:

Our Board of Directors comprise of the following members:

Name	Designation	DIN	Address
Mr. Rajesh Kumar R. Mittal	Managing Director	00878934	1/A-1 Dhananjay Bunglow, B/h Dhananjay Tower, Shyamal Char Rasta, Satellite, Ahmedabad 380015 Gujarat, India
Ms. Preeti R. Mittal	Executive Director	01594555	1/A-1 Dhananjay Bunglow, B/h Dhananjay Tower, Shyamal Char Rasta, Satellite, Ahmedabad 380015 Gujarat, India
Mr. Shankar Prasad Bhagat	Independent Director	01359807	B-9 Goyal Plaza judges Bunglow Road, Vastrapur Ahmedabad-380015, Gujarat, India
Mr. Saurin S. Shah	Independent Director	07438637	2, Sundarvan Housing Society, Usmanpura, Ahmedabad-380013, Gujarat, India.
Dr. Paras K. Shah	Independent Director	07438621	23, Jain Society, Eleelis Bridge, Ahmedabad-380006, Gujarat, India.



For further details of Management of our Company, please refer to section titled "Our Management" on page 93 of this Draft Prospectus.

Company Secretary & Compliance Officer	Chief Financial Officer
Mr. Neel G. Sukhani, 83/84, Village - Kamod, Piplaj, Pirana Road, Post - Aslali, Ahmedabad- 382427 Gujarat Tel: +91-79-27543974 Fax No.: +91- 79- 26768656 Email: riddhiacc@rediffmail.com Website: www.riddhitubes.com	Ms. Preeti R. Mittal, 83/84, Village - Kamod, Piplaj, Pirana Road, Post - Aslali, Ahmedabad- 382427 Gujarat Tel: +91-79-27543974 Fax No.: +91-79 -26768656 Email: riddhiacc@rediffmail.com Website: www.riddhitubes.com

Investors can contact our Compliance Officer in case of any pre-Issue or post-Issue related matters such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary account, refund orders etc.

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

Lead Manager of the Issue	Registrar to the Issue
Guinness Corporate Advisors Private Limited Registered Office:18 Deshapriya Park Road, Kolkata - 700 026, West Bengal, India Tel: +91-33- 30015555 Fax: +91 - 33 – 3001 5531 Email: gcapl@guinnessgroup.net Website: www.16anna.com Contact Person: Ms. Alka Mishra/Mr. Lalit Phatak SEBI Registration No.: INM 000011930	Karvy Computershare Private Limited Karvy Selenium Tower B, Plot 31-32 ,Gachibowli, Financial District, Nanakramguda , Hyderabad – 500 032, India. Toll Free No.1-800-3454001 Tel No.: +91 – 40 – 67162222 Fax No.: +91 – 40 – 2343 1551 Website: www.karisma.karvy.com Email: einward.ris@karvy.com Contact Person: Mr.M Murli Krishna SEBI Registration No.: INR000000221
Bankers to the Company	Legal Advisor to the Issue
Canara Bank Prime Corporate Branch Commercial Complex, Satellite,Ahmedabad-380015 Tel: 079-26768482 Fax: 079-26768480 Email: cb3189@canarabank.com Website: www.canarabank.in Contact Person: Mr. Deepak.V Kulkarni	MOH. SALIM M.MANSURI B.Com, LLB (Advocate) 4658, Khamasa Chakla, Khatkiwad, Gollimda, Jamalpur, Ahmedabad. Contact :9898936825 Sanand No. : G/132/1998
Statutory Auditors of the Company	Peer Review Auditors
M/s. C.P.Shah & Co. Chartered Accountants Address: 403,Ashwamegh House,5,Smruti Kunj Society, Navrangpura, Ahmedabad - 380009 Tel: +91 -79-26560222 Fax No: +91-79-26768480 Email: cpshahca@yahoo.in Contact Person: Mr.Chetan P. Shah Membership Number: 031239 Firm Registration No. 109526W	Devpura Navlakha & Co. Chartered Accountants 401, Ashoka Complex, Nr. Golden Trinangle, Sardar Patel Stadium Road, Navrangpura, Ahmedabad-380 014 Tel : 079-26422539 E-mail: devpuraadl@rediffmail.com Contact Person: Mr. Ashwini Devpura Firm Registration No.-121975W
Bankers to the Issue	
<input type="checkbox"/> To be appointed prior to filing of prospectus with RoC	

Self Certified Syndicate Banks



The lists of banks that have been notified by SEBI to act as SCSB for the Applications Supported by Blocked Amount (“ASBA”) Process are provided on the website of SEBI at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>.

The details on designated branches of SCSBs collecting the ASBA Application Form, are provided on the website of SEBI at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>

Credit Rating

As the Issue is of Equity Shares, credit rating is not mandatory.

Trustees

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

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.

Brokers to the Issue

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

Appraisal and Monitoring Agency

As per Regulation 16(1) of the SEBI (ICDR) Regulations, 2009 the requirement of Monitoring Agency is not mandatory if the Issue size is below Rs 5000.00Lacs. Since the Issue size is only Rs.889.20 Lacs our Company has not appointed any monitoring agency for this Issue. However, as per section 177 of Companies Act 2013, the Audit Committee of our Company, would be monitoring the utilisation of the proceeds of the Issue.

Debenture Trustees

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

Appraising Authority

None of the objects of the Issue have been appraised by any appraising agency.

Inter-Se Allocation of Responsibilities

Since Guinness Corporate Advisors Private Limited is the sole Lead Manager to this Issue, a statement of inter se allocation responsibilities among Lead Manager’s is not required.

Expert Opinion

Except the report of the Peer Reviewed Auditor on the Restated Financial Statements and report of the Statutory Auditor on the Statement of Tax Benefits included in the Draft Prospectus, our Company has not obtained any other expert opinion.

Underwriting Agreement

This Issue is 100% Underwritten. The Underwriting agreement is dated April 18, 2016. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriter are several and are subject to certain conditions specified therein. The Underwriter have indicated their intention to underwrite the following number of specified securities being offered through this Issue:



Name and Address of the Underwriter	Number of Equity Shares Underwritten	Amount Underwritten (Rs. In Lacs)
Guinness Corporate Advisors Private Limited Registered office: 18 Deshapriya Park Road, Kolkata - 700 026. Tel: +91 - 33 - 30015555 Fax: +91 - 33 -30015531 Email: gcapl@guinnessgroup.net Website: www.l6anna.com Contact Person: Ms. Alka Mishra/Mr. Lalit Phatak SEBI Regn. No: INM 000011930	23,40,000*	889.20
Total	23,40,000	889.20

*Includes 1,26,000 Equity shares of Rs.38.00 each for cash of the Market Maker Reservation Portion which are to be subscribed by the Market Maker in its own account in order to claim compliance with the requirements of Regulation 106 V (4) of the SEBI (ICDR) Regulations, 2009, as amended.

As per Regulation 106P (2) of SEBI (ICDR) Regulations, the Lead Manager has agreed to underwrite to a minimum extent of 15 % of the Issue out of its own account.

In the opinion of the Board of Directors of the Company, considering the resources of the above mentioned underwriter and the potential investment lined up by it for the issue, underwriter is in a position to discharge its underwriting obligation.

Details of the Market Making Arrangement for this Issue

Our Company has entered into an agreement dated April 18, 2016 with the Lead Manager and Market Maker to fulfill the obligations of Market Making.

Name	Guinness Securities Ltd.
Corporate Office Address	Guinness House, 18, Deshapriya Park Road, Kolkata-700 026
Tel no	+91-33-3001 5555
Fax	+91-33-2464 6969
Email	kmohanty@guinnessonline.net
Website	www.l6anna.com
Contact Person	Mr. Kuldeep Mohanty
SEBI Regn. No	INB 11146033

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

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

1. The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
2. The minimum depth of the quote shall be Rs. 1,00,000/-. However, the investors with holdings of value less than Rs. 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.
3. After a period of three (3) months from the market making period, the market maker would be exempted to provide quote if the Shares of market maker in our Company reaches to 25 %. (Including the 5 % of Equity Shares of the Issue.) Any Equity Shares allotted to Market Maker under this Issue over and above 5% of

Issue Size would not be taken in to consideration of computing the threshold of 25%. As soon as the Shares of market maker in our Company reduce to 24%, the market maker will resume providing 2-way quotes.

4. There shall be no exemption/threshold on downside. However, in the event the market maker exhausts his inventory through market making process, the concerned stock exchange may intimate the same to SEBI after due verification.
5. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
6. There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
7. The shares of the company will be traded in continuous trading session from the time and day the company gets listed on SME Platform of BSE and market maker will remain present as per the guidelines mentioned under BSE and SEBI circulars.
8. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems or any other problems. All controllable reasons require prior approval from the Exchange, while *force-majeure* will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
9. The Market Maker(s) shall have the right to terminate said arrangement by giving a six months notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s).

In case of termination of the 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 the Company and the Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particular point of time. 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.

10. **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.
11. **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.

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 Rs. 250 crores, the applicable price bands for the first day shall be:

- i. In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
- ii. In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the issue price.
- iii. Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The following spread will be applicable on the BSE SME Exchange/ Platform.

S. N.	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

Capital Structure

The share capital of the Company as at the date of this Draft Prospectus, before and after the Issue, is set forth below.

(Rs. in Lacs, except share data)

S. No.	Particulars	Aggregate value at face value	Aggregate value at Issue Price
A.	Authorized Share Capital		
	85,00,000 Equity Shares of face value of Rs. 10.00 each	850.00	--
B.	Issued, subscribed and paid-up Equity Share Capital before the Issue		
	59,50,252 Equity Shares of face value of Rs. 10.00 each	595.03	--
C.	Present Issue in terms of the Draft Prospectus		
	Issue of 23,40,000 Equity Shares of Rs. 10.00 each at a price of Rs. 38.00 per Equity Share	234.00	889.20
	Which comprises		
	1,26,000 Equity Shares of Rs. 10.00 each at a price of Rs. 38.00 per Equity Share reserved as Market Maker Portion	12.60	47.88
	Net Issue to Public of 22,14,000 Equity Shares of Rs. 10.00 each at a price of Rs. 38.00 per Equity Share to the Public	221.40	841.32
	Of which		
	11,07,000 Equity Shares of Rs. 10.00 each at a price of Rs. 38.00 per Equity Share will be available for allocation to Retail Individual Investors upto Rs. 2.00 Lacs	110.70	420.66
	11,07,000 Equity Shares of Rs. 10.00 each at a price of Rs. 38.00 per Equity Share will be available for allocation to Other Investors of above Rs. 2.00 Lacs	110.70	420.66
D.	Equity capital after the Issue		
	8,290,252 Equity Shares of Rs. 10 each	829.02	---
E	Securities Premium Account		
	Before the Issue	135.00	
	After the Issue	790.20	

The Issue has been authorized by a resolution of the Board of Directors, dated February 23, 2016 and by a resolution of the shareholders of our Company in the EGM held on March 19, 2016 under section 62(1) (c) of the Companies Act, 2013.

Our Company has no outstanding partly paid-up shares/convertible instruments/warrants as on the date of the Draft Prospectus.

Classes of Shares

The Company has only one class of Share Capital i.e. Equity Shares of Rs. 10.00/- each.

Changes in the Authorized Share Capital of our Company:

S. No.	Particulars of Change		Date of Shareholders' Meeting	Meeting AGM/EGM
	From	To		
1	---	50,000 Equity Shares of Rs. 10 each	-	Incorporation
2	50,000 Equity Shares of Rs. 10 each	30,00,000 Equity Shares of Rs. 10 each	03/06/2002	EGM
3	30,00,000 Equity Shares of Rs. 10 each	70,00,000 Equity Shares of Rs. 10 each	05/01/2011	EGM

4	70,00,000 Equity Shares of Rs. 10 each	85,00,000 Equity Shares of Rs. 10 each	16/02/2016	EGM
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Notes Forming Part of Capital Structure

1. Equity Share Capital History of our Company

Date of issue/allotment of Shares	No. of Equity Shares Issued	Face value (Rs.)	Issue price (Rs.)	Consideration (cash, bonus, consideration on other than cash)	Nature of allotment (Bonus, swap etc.)	Cumulative no. of Equity Shares	Cumulative paid-up share capital (Rs.)	Cumulative share premium (Rs.)
On incorporation	10,000	10	10	Cash	Subscription to MOA	10,000	1,00,000	Nil
23/03/2002	1,410	10	10	Cash	Further Allotment	11,410	1,14,100	Nil
24/03/2003	19,88,690	10	10	Cash	Further Allotment	20,00,100	2,00,01,000	Nil
31/03/2003	1,59,000	10	10	Cash	Further Allotment	21,59,100	2,15,91,000	Nil
31/03/2011	23,81,152	10	10	Cash	Further Allotment	45,40,252	4,54,02,520	Nil
31/03/2011	4,50,000	10	40	Cash	Further Allotment	49,90,252	4,99,02,520	1,35,00,000
29/07/2013	9,60,000	10	10	Cash	Further Allotment	59,50,252	5,95,02,520	1,35,00,000

List of Allottees as per allotment details mentioned above:

1. The Subscribers to the Memorandum of Association of our Company were:

S.N	Names of Allottees	Number of Equity Shares
1	Rajesh R. Mittal	500
2	Gaurav N. Mittal	9,500
	Total	10,000

2. Further Allotment of 1,410 Equity Shares to:

S.N	Names of Allottees	Number of Equity Shares
1	Anuj N.Mittal	100
2	Preeti R Mittal	100
3	Indrawati R Mittal	100
4	Urmila N Mittal	100
5	Renu V Mittal	100
6	Rajesh Textile Industries	110
7	Raj Investment Co	100
8	Pawan Finance Co	100
9	Pramila V Jain	100
10	Sunil Trading Co.	100
11	Mahendra & Co	100
12	Mahavir Store	100
13	Naresh R.Mittal HUF	100
14	Manju S Mittal	100
	Total	1410

3. Further Allotment of 19,88,690 Equity Shares to:

S.N	Names of Allottees	Number of Equity Shares
1	Vijendra R.Mittal HUF	72,000
2	Surendra R.Mittal HUF	49,000
3	Rajesh R Mittal HUF	80,000
4	Naresh R Mittal HUF	57,300
5	Renu V Mittal	1,48,700
6	Manju S Mittal	1,21,100
7	Preeti R Mittal	1,20,000
8	Urmila R Mittal	1,85,160
9	Gaura N Mittal	1,88,170
10	Anuj N Mittal	1,25,040
11	Satpal Jain	40,000
12	Geetadevi Jain	24,800
13	Mukesh Jain	20,200
14	Rajesh Jain	22,500
15	Rakesh Jain	22,500
16	Indrawati R Mittal	90,500
17	Gunjan S Mittal	10,000
18	Riddhi R Mittal	20,000
19	Omprakash Chandraprakash HUF	50,000
20	Chandraprakash Omprakash	1,50,000
21	Advance Multitech	2,11,620
22	Haryana Sarees (P) Ltd.	2,00,000
23	Universal Trading Corporation	100
	Total	19,88,690

4. Further Allotment of 1,59,000 Equity Shares to:

S.N	Names of Allottees	Number of Equity Shares
1	Radhadevi Vedprakash	15,000
2	Mamta Rajkumar Goyal	19,500
3	Santoshdevi Govindram	14,500
4	Tarachand Deepak HUF	25,000
5	Visheshkumar HUF	25,000
6	Rishkumar & Sons HUF	27,500
7	Poonam Rajnish Jain	10,000
8	Kamlesh Rishikumar Jain	22,500
	Total	1,59,000

5. Further Allotment of 23,81,152 Equity Shares to:

S.N	Names of Allottees	Number of Equity Shares
1	Rajesh R. Mittal HUF	3,09,771
2	Preeti R Mittal	10,89,698
3	Indrawati R Mittal	1,38,497
4	Rajat R Mittal	8,13,072
5	Riddhi R.Mittal	30,114
	Total	23,81,152

6. Further Allotment of 4,50,000 Equity Shares to:

S.N	Names of Allottees	Number of Equity Shares
1	Mayapur Mercandise Pvt.Ltd.	1,77,500
2	Anubhav Infrastructure Ltd.	1,47,500

3	Trimurti Vinimay Pvt.Ltd.	37,500
4	Citistar Tieup Pvt. Ltd.	50,000
5	Rtubhara Marketing Pvt. Ltd.	37,500
	Total	4,50,000

7. Further Allotment of 9,60,000 Equity Shares to:

S.N	Names of Allottees	Number of Equity Shares
1	Preeti R Mittal	6,60,000
2	Rajat R Mittal	3,00,000
	Total	9,60,000

2. Issue of Equity Shares for consideration other than cash or out of revaluation reserves or in terms of any scheme approved under Sections 391- 394 of the Companies Act, 1956 or Section 230- 233 of the Companies Act, 2013

We have not issued any Equity Shares for consideration other than cash or out of revaluation reserves or in terms of any scheme approved under Sections 391- 394 of the Companies Act, 1956 or Section 230- 233 of the Companies Act, 2013.

3. Details of Allotment made in the last two (2) years from the date of this Draft Prospectus.

We have not made allotment of any Equity Shares in the last two (2) years from the date of this Draft Prospectus.

4. Detail of any equity shares issued at a price below issue price within last one (1) year from the date of this Prospectus.

We have not issued any equity shares at a price below issue price within last one (1) year from the date of this Draft Prospectus.

5. Capital Build up of our Promoters:

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

Date of Allotment /Transfer	Consideration	Nature of Issue	No of Equity Shares	Face Value	Issue Price/Acquisition Price/ Transfer Prices	Percentage Pre-Issue paid up capital	Percentage Post issue paid up capital
Mr. Rajesh R. Mittal							
08/09/2001	Cash	Allotment	500	10	10	0.008	0.006
10/8/2011	Cash	Acquired from Renu V. Mittal	10,540	10	10	0.177	0.127
05/07/2014	Cash	Acquired from Rajesh Textiles Industries	110	10	10	0.002	0.001
05/07/2014	Cash	Acquired from Raj Investment	100	10	10	0.002	0.001
05/07/2014	Cash	Acquired from Pawan Finance	100	10	10	0.002	0.001
05/07/2014	Cash	Acquired from Pramila Vijay Kumar jain	100	10	10	0.002	0.001
05/07/2014	Cash	Acquired from Sunil Trading Co	100	10	10	0.002	0.001

05/07/2014	Cash	Acquired from Mahendra & Co	100	10	10	0.002	0.001
05/07/2014	Cash	Acquired from Mahavir Store	100	10	10	0.002	0.001
05/07/2014	Cash	Acquired from Universal Trading Corporation	100	10	10	0.002	0.001
13/07/2015	Cash	Acquired from Haryana Saree Pvt Ltd	100000	10	10	1.681	1.206
12/10/2015	Cash	Acquired from Rishi Kumar & Sons HUF	27,500	10	10	0.462	0.332
12/10/2015	Cash	Acquired from Vishesh kumar HUF	25,000	10	10	0.420	0.302
12/10/2015	Cash	Acquired from Kamlesh R. Jain	22,500	10	10	0.378	0.271
12/10/2015	Cash	Acquired from Deepak Tarachand HUF	25,000	10	10	0.420	0.302
12/10/2015	Cash	Acquired from Poonam Jain	10,000	10	10	0.168	0.121
06/04/2016	Cash	Acquired from Satpal Jain	30,000	10	10	0.504	0.362
06/04/2016	Cash	Acquired from Mayapur Mercandise Pvt. Ltd.	177500	10	40	2.983	2.141
Total			4,29,350			7.216	5.179

Date of Allotment /Transfer	Consideration	Nature of Issue	No of Equity Shares	Face Value	Issue Price/Acquisition Price/ Transfer Prices	Percentage Pre-Issue paid up capital	Percentage Post issue paid up capital
Ms. Preeti R. Mittal							
23/03/2002	Cash	Allotment	100	10	10	0.002	0.001
24/03/2003	Cash	Allotment	1,20,000	10	10	2.017	1.447
30/03/2004	Cash	Acquired from Chandraprakash Omprakash	50,000	10	10	0.840	0.603
28/12/2006	Cash	Acquired from Urmila Mittal	50,000	10	10	0.840	0.603
29/12/2006	Cash	Acquired from Urmila Mittal	64,000	10	10	1.076	0.772
31/03/2011	Cash	Allotment	10,89,698	10	10	18.313	13.144
10/8/2011	Cash	Acquired from Mamta Rajkumar Goyal	19,500	10	10	0.328	0.235
10/8/2011	Cash	Acquired from Santoshdevi Govindram	14,500	10	10	0.244	0.175
10/8/2011	Cash	Acquired from	15,000	10	10	0.252	0.181

		Radha Devi					
10/8/2011	Cash	Acquired from Urmila Mittal	1,01,260	10	10	1.702	1.221
10/8/2011	Cash	Acquired from Manju Mittal	1,71,200	10	10	2.877	2.065
10/8/2011	Cash	Acquired from Gaurav Mittal	1,97,670	10	10	3.322	2.384
10/8/2011	Cash	Acquired from Anuj Mittal	1,30,000	10	10	2.185	1.568
10/8/2011	Cash	Acquired from Renu V Mittal	1,38,260	10	10	2.324	1.668
10/8/2011	Cash	Acquired from Surendra Mittal HUF	49,000	10	10	0.823	0.591
10/8/2011	Cash	Acquired from Naresh R. Mittal HUF	400	10	10	0.007	0.005
10/8/2011	Cash	Acquired from Gunjan S. Mittal	3,113	10	10	0.052	0.038
10/8/2011	Cash	Acquired from Vijendra R Mittal HUF	8,503	10	10	0.143	0.103
29/07/2013	Cash	Allotment	6,60,000	10	10	11.092	7.961
06/04/2016	Cash	Acquired from Geetadevi Jain	24,800	10	10	0.417	0.299
06/04/2016	Cash	Acquired from Citistar Tieup Pvt. Ltd.	50,000	10	40	0.840	0.603
Total			29,57,004			49.695	35.668

Date of Allotment /Transfer	Consideration	Nature of Issue	No of Equity Shares	Face Value	Issue Price/Acquisition Price/ Transfer Prices	Percentage Pre-Issue paid up capital	Percentage Post issue paid up capital
Mr. Rajat R. Mittal							
31/03/2011	Cash	Allotment	8,13,072	10	10	13.664	9.808
10/08/2011	Cash	Acquired from Vijendra Mittal HUF	23,766	10	10	0.399	0.287
29/07/2013	Cash	Allotment	3,00,000	10	10	5.042	3.619
13/07/2015	Cash	Acquired from Haryana Saree Pvt. Ltd.	1,00,000	10	10	1.681	1.206
06/04/2016	Cash	Acquired from Satpal Jain	10,000	10	10	0.168	0.121
06/04/2016	Cash	Acquired from Mukesh Jain	20,200	10	10	0.339	0.244
06/04/2016	Cash	Acquired from Anubhav Infrastructure Ltd.	1,47,500	10	40	2.479	1.779
Total			14,14,538			23.773	17.063

Date of Allotment /Transfer	Consideration	Nature of Issue	No of Equity Shares	Face Value	Issue Price/Acquisition Price/ Transfer Prices	Percentage Pre-Issue paid up capital	Percentage Post issue paid up capital
Ms. Riddhi R. Mittal							
20/03/2003	Cash	Allotment	20,000	10	10	0.336	0.241
31/03/2011	Cash	Allotment	30,114	10	10	0.506	0.363
10/08/2011	Cash	Acquired from Gunjan Mittal	2,027	10	10	0.034	0.024
09/01/2016	-	Transmission from Indravati Mittal	2,29,097	10	0	3.850	2.763
06/04/2016	Cash	Acquired from Ritubhara Marketing Pvt. Ltd.	37,500	10	40	0.630	0.452
06/04/2016	Cash	Acquired from Rakesh Jain	22,500	10	10	0.378	0.271
Total			3,41,238			5.735	4.116

3. Details of Promoters' contribution locked in for three years:

Pursuant to Regulation 32 and 36 of SEBI (ICDR) Regulations aggregate of 20% of the post issue capital held by our Promoters shall be considered as promoters' contribution ("**Promoters Contribution**") and locked-in for a period of three years from the date of Allotment. The lock-in of the Promoters Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

Our Promoters have granted consent to include such number of Equity Shares held by them as may constitute 20% of the post issue Equity Share capital of our Company as Promoters Contribution and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters Contribution from the date of filing of this Draft Prospectus until the commencement of the lock-in period specified above.

Date of Allotment /Transfer	Consideration	Nature of Issue	No of Equity Shares	Issue Price/Acquisition Price/ Transfer Prices	% Pre - Issue paid up capital	% Post - Issue paid up capital
Ms. Preeti Mittal						
31/03/2011	Cash	Further Allotment	10,80,000	10	18.15	13.03
29/07/2013	Cash	Further Allotment	6,60,000	10	11.09	7.96
Total			17,40,000		29.24	20.99

We further confirm that the minimum Promoter Contribution of 20% which is subject to lock-in for three years does not consist of:

- Equity Shares acquired during the preceding three years for consideration other than cash and out of revaluation of assets or capitalization of intangible assets or bonus shares out of revaluation reserves or reserves without accrual of cash resources.
- Equity Shares acquired by the Promoters during the preceding one year, at a price lower than the price at which Equity Shares are being offered to public in the Issue.



- Private placement made by solicitation of subscription from unrelated persons either directly or through any intermediary.
- The Equity Shares held by the Promoters and offered for minimum 20% Promoters' Contribution are not subject to any pledge.
- Equity Shares for which specific written consent has not been obtained from the shareholders for inclusion of their subscription in the minimum Promoters' Contribution subject to lock-in.
- Equity shares issued to our Promoters on conversion of partnership firms into limited Companies.

Specific written consent has been obtained from the Promoters for inclusion of the Equity Shares for ensuring lock-in of three years to the extent of minimum 20% of post Issue paid-up Equity Share Capital from the date of allotment in the proposed public Issue. Promoters' Contribution does not consist of any private placement made by solicitation of subscription from unrelated persons either directly or through any intermediary.

The minimum Promoters' Contribution has been brought to the extent of not less than the specified minimum lot and from the persons defined as Promoters under the SEBI (ICDR) Regulations, 2009. The Promoters' Contribution constituting 20% of the post issue capital shall be locked-in for a period of three years from the date of Allotment of the Equity Shares in the Issue.

All Equity Shares, which are to be locked-in, are eligible for computation of Promoters' Contribution, in accordance with the SEBI (ICDR) Regulations, 2009. Accordingly we confirm that the Equity Shares proposed to be included as part of the Promoters' Contribution:

- have not been subject to pledge or any other form of encumbrance; or
- have not been acquired, during preceding three years, for consideration other than cash and revaluation of assets or capitalization of intangible assets is not involved in such transaction;
- is not 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;
- have not been acquired by the Promoters during the period of one year immediately preceding the date of filing of this Draft Prospectus at a price lower than the Issue Price.

The Promoters' Contribution can be pledged only with a scheduled commercial bank or public financial institution as collateral security for loans granted by such banks or financial institutions, in the event the pledge of the Equity Shares is one of the terms of the sanction of the loan. The Promoters' contribution may be pledged only if in addition to the above stated, the loan has been granted by such banks or financial institutions for the purpose of financing one or more of the objects of this Issue.

The Equity Shares held by our Promoters may be transferred to and among the Promoter Group or to new Promoters or persons in control of our Company, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the Takeover Code, as applicable.

4. Details of share capital locked in for one year:

Except for the Promoter's Contribution which shall be locked in as above in accordance with regulation 36 of SEBI (ICDR) Regulations, 2009, the entire pre issue share capital of our Company (including the Equity Shares held by our Promoters) shall be locked in for a period of one year from the date of Allotment in this Issue.

The Equity Shares held by persons other than our Promoters and locked-in for a period of one year from the date of Allotment, in accordance with regulation 37 of SEBI (ICDR) Regulations, 2009, in the Issue may be transferred to any other person holding Equity Shares which are locked-in, subject to the continuation of the lock-in in the hands of transferees for the remaining period and compliance with the Takeover Code.



5. Shareholding pattern of our Company:

[A] Pursuant to Regulation 31 of the Listing Regulations, the holding of specified securities is divided into the following three categories:

- (a) Promoter and Promoter Group;
- (b) Public; and
- (c) Non-Promoter - Non Public.

The following are the statements representing the shareholding pattern of our Company:

Summary Statement Holding of Equity Shareholders

Category code	Category of shareholders	No. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR,1957)	Number of Voting Rights held in each class of securities			No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as % assuming full conversion of convertible securities (as a % of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form	
								Equity	Preference	Total			No.(a)	As a % of total shares held (b)	No.(a)	As a % of total shares held (b)		
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)			(X)	(XI)=(VII)+(X)	(XII)		(XIII)		(XIV)	
							As a % of (A+B+C2)	No of Voting Rights				As a % of (A+B+C2)	No.(a)	As a % of total shares held (b)	No.(a)	As a % of total shares held (b)		
								Equity	Preference	Total								
(A)	Promoter & Promoter Group	5	5688632	-	-	5688632	95.60	5688632	-	5688632	95.60	-	95.60	-	-	-	-	-
(B)	Public	2	261620	-	-	261620	4.40	261620	-	261620	4.40	-	4.40	-	-	-	-	-
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	7	5950252	-	-	5950252	100.00	5950252	-	5950252	100.00	-	100.00	-	-	-	-	-

[B] Shareholding of our Promoters and Promoter Group

The details of the shareholding of our Promoters and Promoter Group as on the date of filing of this Draft Prospectus:

S. N.	Name of the shareholder	Pre-Issue		Post-Issue		Shares pledged or otherwise encumbered		
		No. of Equity Shares	As a % of Issued Share Capital	No. of Equity Shares	As a % of Issued Share Capital	Number	As a percentage	As a % of grand Total (a)+(b)+(c) of Sub-clause (i)(a)
A	Promoters							
1.	Rajesh Kumar R. Mittal	4,29,350	7.22	4,29,350	5.18	-	-	-
2.	Rajat R. Mittal	14,14,538	23.77	14,14,538	17.06	-	-	-
3.	Riddhi R. Mittal	3,41,238	5.73	3,41,238	4.12	-	-	-
4.	Preeti R. Mittal	29,57,004	49.70	29,57,004	35.67	-	-	-
	Total (A)	51,42,130	86.42	51,42,130	62.03	-	-	-
B	Promoter Group, Relatives and other Associates							
1.	Rajesh R. Mittal HUF	5,46,502	9.18	5,46,502	6.59	-	-	-
	Total (B)	5,46,502	9.18	5,46,502	6.59	-	-	-
	Total (A+B)	56,88,632	95.60	56,88,632	68.62	-	-	-

[C] Shareholding of persons belonging to the category 'Public' and holding more than 1% of our Equity Shares

S.N.	Particulars	No. of Shares	Percentage of pre-Issue capital(%)
1	Advance Multitech Limited	2,11,620	3.56



[D] Except as provided below, there has been no subscription to or sale or purchase of the securities of our Company within three years preceding the date of filing of this Draft 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 except the following:

S. N.	Name of Shareholder	Promoter/Promoter Group/Director	Number Equity Shares	Percentage of the pre-issue capital	Subscribed/ Acquired/ Transferred
1	Preeti R.Mittal	Promoter	6,60,000	11.09	Allotment
2	Rajat R.Mittal	Promoter	1,00,000	1.68	Acquired
3	Rajat R.Mittal	Promoter	1,47,500	2.48	Acquired
4	Rajat R. Mittal	Promoter	3,00,000	5.04	Allotment
5	Rajesh Kumar R. Mittal	Promoter	1,00,000	1.68	Acquired
6	Rajesh Kumar R. Mittal	Promoter	1,77,500	2.98	Acquired
7	Riddhi R.Mittal	Promoter	2,29,097	3.85	Transmission
8	Rajesh R. Mittal HUF	Promoter Group	60,000	1.01	Acquired

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

Name of the Promoter	No. of Shares held	Average cost of Acquisition (in Rs.)
Mr. Rajesh Kumar R. Mittal	4,29,350	22.40
Ms. Preeti R. Mittal	29,57,004	10.51
Mr. Rajat R. Mittal	14,14,538	13.13
Ms. Riddhi R. Mittal	3,41,238	13.30

7. None of our Directors or Key Managerial Personnel hold Equity Shares in our Company, other than as set forth below:

Name of the Director	No. of Equity Shares	Pre-Issue percentage of Shareholding
Mr. Rajesh Kumar R. Mittal	4,29,350	7.22
Ms. Preeti R. Mittal	29,57,004	49.70

8. Equity Shares held by top ten shareholders

(a) Our top ten shareholders and the number of Equity Shares held by them as on date of the Draft Prospectus are as under:

S. N.	Name of Shareholder	No. of Shares	Percentage of pre-Issue capital
1	Preeti R Mittal	29,57,004	49.7
2	Rajat R. Mittal	14,14,538	23.77
3	Rajesh Kumar R. Mittal	4,29,350	7.22
4	Rajesh R. Mittal (HUF)	5,46,502	9.18
5	Riddhi R. Mittal	3,41,238	5.73
6	Advance Multitech Limited	2,11,620	3.56
7	Advance Synthetics Mills	50,000	0.84
	Total	59,50,252	100.00

(b) Our top ten shareholders and the number of Equity Shares held by them ten days prior to the date of the Draft Prospectus are as under:

S. N.	Name of Shareholder	No. of Shares	Percentage of pre-Issue capital
1	Preeti R Mittal	29,57,004	49.7
2	Rajat R Mittal	14,14,538	23.77
3	Rajesh Kumar R. Mittal	4,29,350	7.22
4	Rajesh R. Mittal (HUF)	5,46,502	9.18
5	Riddhi R Mittal	3,41,238	5.73

6	Advance Multitech Limited	2,11,620	3.56
7	Advance Synthetics Mills	50,000	0.84
	Total	59,50,252	100.00

(c) Our top ten shareholders and the number of Equity Shares held by them two years prior to date of the Draft Prospectus are as under:

S. N.	Name of shareholder	No. of shares	% age of pre-Issue capital
1.	Preeti R Mittal	28,82,204	48.44
2.	Rajat R. Mittal	11,36,838	19.11
3.	Rajesh R. Mittal (HUF)	4,86,502	8.18
4.	Indravati R.Mittal	2,29,097	3.85
5.	Advance Multitech Limited	2,11,620	3.56
6.	Haryana Saree Private Limited	2,00,000	3.36
7.	Mayapur Mercandise Private Limited	1,77,500	2.98
8.	Anubhav Infrastructure Limited	1,47,500	2.48
9.	Riddhi R. Mittal	52,141	0.88
10.*	Advance Synthetics Mills	50,000	0.84
10.*	Citistar Tieup Private Limited	50,000	0.84
	Sub total	56,23,402	94.50

*On S. N. 10, there are 2 shareholders holding 50,000 Shares each.

9. There is no "Buyback", "Standby", or similar arrangement for the purchase of Equity Shares by our Company/Promoters/Directors/Lead Manager for purchase of Equity Shares offered through the Draft Prospectus.

10. There have been no purchase or sell of Equity Shares by the Promoters and Promoter Group, and our Directors during a period of six months preceding the date on which the Draft Prospectus is filed with BSE except as set forth below:-

S. N.	Name of Shareholder	Promoter/Promoter Group/Director	Number Equity Shares	Subscribed/ Acquired/ Transferred
1	Preeti R.Mittal	Promoter	74,800	Acquired
2	Rajat R.Mittal	Promoter	1,777,000	Acquired
3	Rajesh Kumar R. Mittal	Promoter	2,07,500	Acquired
4	Riddhi R.Mittal	Promoter	60,000	Acquired
5	Riddhi R.Mittal	Promoter	229097	Transmission

11. Our Company has not raised any bridge loans against the proceeds of this Issue.

12. Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed in paragraph on "Basis of Allotment" on page 179. of this Draft Prospectus.

13. The Equity Shares Issued pursuant to this Issue shall be made fully paid-up.

14. An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off while finalizing the basis of allotment to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in the Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to lock-in shall be suitably increased to ensure that 20% of the post issue paid-up capital is locked-in.

15. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.



- 16.** As on date of filing of this Draft Prospectus, the entire issued share capital of our Company is fully paid-up.
- 17.** On the date of filing the Draft Prospectus, there are no outstanding financial instruments or any other rights that would entitle the existing Promoters or shareholders or any other person any option to receive Equity Shares after the Issue.
- 18.** Our Company has not issued any Equity Shares out of revaluation reserves and neither have any bonus shares been issued out of capitalization of revaluation reserves or no shares have been issued for consideration other than cash.
- 19.** Lead Manager to the Issue viz. Guinness Corporate Advisors Private Limited does not hold any Equity Shares of our Company.
- 20.** Our Company has not revalued its assets since incorporation.
- 21.** Our Company has not made any public issue since incorporation.
- 22.** There will be only one denomination of the Equity Shares of our Company unless otherwise permitted by law, our Company shall comply with such disclosure, and accounting norms as may be specified by SEBI from time to time.
- 23.** There will be no further issue of capital whether by way of issue of bonus shares, preferential allotment, and rights issue or in any other manner during the period commencing from submission of this Draft Prospectus until the Equity Shares to be issued pursuant to the Issue have been listed.
- 24.** Except as disclosed in the Draft Prospectus, our Company presently does not have any intention or proposal to alter its capital structure for a period of six (6) months from the date of opening of the Issue, by way of split/consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise. However, during such period or a later date, it may issue Equity Shares or securities linked to Equity Shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.
- 25.** At any given point of time, there shall be only one denomination for a class of Equity Shares of our Company.
- 26.** Our Company does not have any ESOS/ESPS scheme for our employees and we do not intend to allot any shares to our employees under ESOS/ESPS scheme from the proposed Issue. As and when, options are granted to our employees under the ESOP scheme, our Company shall comply with the SEBI (Employee Stock Option Scheme and Employees Stock Purchase Plan) Guidelines 1999.
- 27.** No Equity Shares have been allotted in terms of any scheme approved under Sections 230-232 of the Companies Act, 2013 and no Equity Shares have been allotted in terms of any scheme approved under Sections 391-394 of the Companies Act, 1956 in the last five years.
- 28.** An investor cannot make an application for more than the number of Equity Shares offered in this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.
- 29.** No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoters to the persons who receive allotments, if any, in this Issue.
- 30.** Our Company has Seven (7) members as on the date of filing of this Draft Prospectus.

Objects of the Issue

Our Company proposes to utilise the funds which are being raised towards funding the objects as set forth below and achieve the benefits of listing on SME Platform of BSE.

Objects of the Issue are:

1. To meet the working capital requirements
2. General corporate expenses
3. Issue Expenses

We believe that listing will enhance our Company's corporate image, brand name and create a public market for our Equity Shares in India.

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

The details of the objects of the issue are summarized in the table below: -

S.N.	Particulars	Amount (Rs. in Lacs)
I.	To meet working capital requirements	700.00
II.	General Corporate Expenses	145.20
III.	Issue Expenses	44.00
	Total	889.20

Means of Finance

The above mentioned fund requirements are to be financed as set forth below:

Particulars	Amount (Rs. in Lacs)
Proceeds from the Issue	889.20
Internal Accruals	-
Total	889.20

The entire fund requirements are to be funded from the proceeds of the Issue and internal accruals. Accordingly, 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 or through existing identifiable internal accruals. In case of a shortfall in the Issue Proceeds, our Company may explore a range of options including utilizing our internal accruals and /or raising debt.

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.

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.

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 Draft Prospectus

For further details on the risks involved in our business plans and executing our business strategies, please refer the section titled *risk factors* beginning on page 11 of this Draft Prospectus.

Details of Use of Issue Proceeds:

I. To Meet Working Capital Requirements

Our business is working capital intensive and the Company avails majority of its working capital requirement in the ordinary course of its business from its internal accruals, bank funding and other sources.

As on March 31, 2015 and December 31, 2015, our Company's net working capital consisted of Rs. 6270.17 Lakhs and Rs. 6345.44 Lakhs based on restated financial statement. Considering the existing and future growth, the total working capital needs of our Company, as assessed based on the internal workings of our Company is expected to reach Rs. 7170.00.lacs for FY 2016-2017. The Company will meet the requirement to the extent of Rs.700.00 Lacs from the Net Proceeds of the Issue and balance from borrowings and/or internal accruals at an appropriate time as per the requirement.

As of the date of this Draft Prospectus, the Company meets its working capital requirement through internal accruals and borrowings from banks. Keeping in mind, the continuous growth of the business and growing demand of steel tubes, we require additional working capital primarily for financing the inventory and this business vertical in the long run.

Basis of estimation of working capital requirement

(Rs.in Lacs)

Particulars	2014-2015 (Restated)	Upto December 31, 2015 (Restated)	2016-2017 (Estimated)
Current Assets			
Inventories	2225.76	2078.51	2750.00
Cash & Bank Balances	256.65	299.93	345.00
Short-term Loan and Advances	1058.09	515.44	1000.00
Trade Receivables	3356.93	3888.13	3750.00
Other Non Current Asset	--	--	--
TOTAL CURRENT ASSETS (A)	6897.43	6782.01	7845.00
Current Liabilities (other than short term borrowings)			
Other Current Liabilities	457.56	293.13	400.00
Trade Payables	32.80	45.40	100.00
Short-term Provisions	136.90	98.04	175.00
TOTAL CURRENT LIABILITIES (B)	627.26	436.57	675.00
TOTAL WORKING CAPITAL REQUIREMENTS (A-B)	6270.17	6345.44	7170.00
Funding Pattern:			
Short term borrowing from Bank/ Internal Accruals	6270.17	6345.44	6470.00
Issue Proceeds	-	-	700.00

Assumptions for working capital requirements

Particulars	Holding Level as of March 31, 2015 (Restated)	As on December 31, 2015 (Restated)	Holding Level as of March 31, 2017 (Estimated)



Current Assets			
Inventories			
Raw Material	16	36	21
Finished Goods	13	20	16
Trades Receivables	52	92	57
Current Liabilities other than short-term borrowings			
Trade Payables	1	8	2

Justification for “Holding Period” levels

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

Current Assets	
Inventories	We expect Inventory holding days to be 37 days for FY 2016-17 due to our production cycle and maintaining required level of Inventory
Trades Receivables	We expect Debtors Holding days to be at 57 days for FY 2016-17 based on increased sales and better credit Management policies ensuring timely recovery of dues.
Current Liabilities other than short-term borrowings	
Creditors/ Trade Payables	We expect Creditors payments days to be 2 days based on increase in cost of products based on turnover.

II. General Corporate Purpose

We intend to use approximately Rs. 145.20 Lakhs from the Proceeds of the Issue towards general corporate expenses as decided by our Board from time to time, including but not restricted to acquiring business premises, investment in business venture, strategic alignment, strategic initiatives, brand building exercises, strengthening our marketing capabilities in order to strengthen our operations.

Further, we confirm that the amount for general corporate purposes, as mentioned in this Draft Prospectus, shall not exceed 25% of the amount raised by our Company through this Issue.

III. 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 Rs. 44.00 Lakhs which is 4.95% of the Issue Size. All the Issue related expenses shall be met out of the proceeds of the Issue and the break-up of the same is as follows:

Particulars	Amount (Rs. in lacs)
Issue Management fees including fees and reimbursements of market making fees, underwriting fees, selling commissions, brokerages, and payment to other intermediaries such as legal advisors, registrars and other out of pocket expenses.	35.00
Regulatory Fees	2.00
Other Expenses (marketing, printing, stationery, advertisement, postage etc.)	7.00
Issue expenses	44.00

Schedule of Implementation and Deployment of Funds:

The proposed deployment of fund and the schedule of implementation of the Net Issue Proceeds are set forth below:

Particulars	Already Incurred	FY 2016-17	Total
To meet working capital requirement	-	700.00	700.00



General Corporate Expenses	-	145.20	145.20
Issue Expenses	-	44.00	44.00
Total	-	889.20	889.20

Details of funds already deployed till date and sources of funds deployed

The funds deployed up to April 15, 2016 pursuant to the object of this Issue on the Project as certified by the Auditors of our Company, viz. M/s. C.P. Shah & Co., Chartered Accountants pursuant to their certificate dated April 15, 2016 is set forth below:

Deployment of Funds	Amount (Rs. In lacs)
NIL	NIL

Sources of Funds	Amount (Rs. In lacs)
NIL	NIL

Bridge Financing

We have currently not raised any bridge loans against the proceeds of the Issue. However, depending on our requirement, we might consider raising bridge financing facilities, pending receipt of the proceeds of the Issue.

Appraisal by Appraising Agency

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

Shortfall of Funds

Any shortfall in meeting the object of the Issue will be met by way of internal accruals.

Interim use of Funds

Our Company, in accordance with the policies established by the Board from time to time, will have flexibility to deploy the Issue proceeds. The Issue proceeds of the Issue pending utilization for the purposes stated in this section shall be deposited only in Scheduled Commercial Banks included in the Second Schedule of Reserve Bank of India Act, 1934. In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the proceeds of the Issue for any investment in the equity markets.

Monitoring of Utilization of Funds

There is no requirement for a monitoring agency as the Issue size is less than Rs. 50,000.00 lakhs. Pursuant to Regulation 32(3) of the SEBI Listing Regulations, our Company shall on a half yearly basis disclose to the Audit Committee the uses and application of the Issue Proceeds. Until such time as any part of the Issue Proceeds remains unutilized, our Company will disclose the utilization of the Issue Proceeds under separate heads in our Company's balance sheet(s) clearly specifying the amount of and purpose for which Issue Proceeds have been utilized so far, and details of amounts out of the Issue Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilized Issue Proceeds. In the event that our Company is unable to utilize the entire amount that we have currently estimated for use out of the Issue Proceeds in a fiscal year, we will utilize such unutilized amount in the next fiscal year.

Further, in accordance with Regulation 32(1)(a) of the SEBI Listing Regulations, 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 Issue Proceeds for the objects stated in this Draft Prospectus.



Variation in Objects

In accordance with Section 27 of the Companies Act 2013, our Company shall not vary object of the Issue without our Company being authorized to do so by our 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 thereunder. As per the current provisions of the Companies Act, our Promoters 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 Promoters, our Directors, our Company's Key Managerial Personnel and Group Entities, in relation to the utilisation of the proceeds of the Issue. No part of the proceeds of the Issue will be paid by us as consideration to our Promoters, our Directors or Key Managerial Personnel or our Group Entities, except in the normal course of business and in compliance with the applicable laws.



Basic Terms of Issue

Authority for the Issue:

The present issue has been authorized pursuant to a resolution of our Board dated February 23, 2016 and by Special Resolution passed under Section 62 (1) (c) of the Companies Act, 2013 at the Extra-ordinary General Meeting of our shareholders held on March 19, 2016.

Ranking of Equity Shares

The Equity Shares being offered under the Issue shall be subject to the provisions of our Memorandum and Articles and shall rank pari-passu with the existing Equity Shares of our Company including rights in respect of dividends. The Allottees in receipt of Allotment of Equity Shares under this Issue will be entitled to dividends or any other corporate benefits, if any, declared by the Company after the date of Allotment. For further details, please refer to the chapter —*Main Provisions of the Articles of Association*” beginning on page 210 of this Draft Prospectus.

Terms of the Issue

The Equity Shares, now being offered, are subject to the terms and conditions of this Draft Prospectus, Prospectus, Application form, Confirmation of Allocation Note (*CAN*), the Memorandum and Articles of Association of our Company, the guidelines for listing of securities issued by the Government of India and SEBI (ICDR) Regulations, 2009, 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 Rs.10.00 each.
Issue Price	Each Equity Share is being offered at a price of Rs. 38.00 each.
Market Lot and Trading Lot	The Market lot and Trading lot for the Equity Share is 3,000 (Three Thousand) and the multiple of 3,000; subject to a minimum allotment of 3,000 Equity Shares to the successful applicants.
Terms of Payment	100% of the issue price of Rs. 38.00 shall be payable on Application. For more details please refer to page 171 of this Draft Prospectus.
Ranking of the Equity Shares	The Equity Shares shall be subject to the 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.

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 the subscription of 100% of the Issue including devolvement on Underwriters within 60 (Sixty) days from the date of closure of the issue, our Company shall forthwith unblock 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 in the Companies Act.

Basis For Issue Price

The Issue Price has been determined by our Company in consultation with the Lead Manager on the basis of the key business strengths. The face value of the Equity Shares is Rs.10/- and Issue Price is Rs. 38/- per Equity Shares i.e. 3.80 times the face value.

Investors should read the following summary with the **“Risk Factors”** beginning from page 11 of this Draft Prospectus, section titled **“Our Business”** beginning from page 74 and **“Financial Information”** beginning from page 114 of this Draft Prospectus. The trading price of the Equity Shares of our Company could decline due to these risk factors and you may lose all or part of your investments.

Qualitative Factors

Some of the qualitative factors which may form the basis for computing the Issue Price include the following:

- Qualified and Experienced Management Team
- Quality assurance
- Customer Centric Business
- ISO Certified Organization
- Marketing strategies
- Growth Driven

For further details, refer **“Our Strength”** under chapter titled **“Our Business”** beginning from page 74 of this Draft Prospectus.

Quantitative Factors

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

1. Basic Earnings and Diluted Earnings Per Equity Share (EPS) as per Accounting Standard 20

Period	Basic and Diluted EPS (in Rs.)	Weight
March 31, 2013	4.34	1
March 31, 2014	4.06	2
March 31, 2015	4.25	3
Weighted Average	4.20	
For the period ended December 31, 2015*	3.06	

**Not annualized*

Note: The earnings per share has been calculated by dividing the net profit as restated, attributable to equity shareholders by restated weighted average number of Equity Shares outstanding during the period/year. Restated weighted average number of equity shares has been computed as per AS 20. The face value of each Equity Share is Rs. 10/-

2. Price / Earnings Ratio (P/E) in relation to the Issue Price of Rs. 38.00

- a) Based on fiscal year as on March 31, 2015; at EPS (Basic and Diluted) of Rs.4.25 as per Restated Financial Statements, the P/E ratio is 8.94
- b) Based on weighted average EPS (Basic and Diluted) of Rs.4.20 as per Restated Financial Statements, the P/E ratio is 9.05

c) Industry P/E:

Industry P/E*	P/E Ratio
Highest –Adhunik Industries Limited	54.9
Lowest –National Steel & Agro Industries Limited	3.3
Average	11.4

* Source: Capital Market dated March 28 – April 10, 2016; Vol: XXXI/03; Steel

3. Return on Net Worth

Period	RONW (%)	Weight
March 31, 2013	15.39	1
March 31, 2014	13.19	2
March 31, 2015	12.75	3
Weighted Average	13.34	
For the period ended December 31, 2015*	8.39	

*Not annualised.

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

4. Minimum return on post Issue Net Worth to maintain the Pre-issue EPS for the year ended March 31, 2015 -11.53%

5. Net Asset Value (NAV) per Equity Share

S.N.	Particulars	(Rs.)
a)	As on March 31, 2015	33.37
b)	As on December 31, 2015	36.43
c)	After Issue	36.87
d)	Issue Price	38.00

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

6. Peer Group Comparison of Accounting Ratios

Particulars	CMP	EPS (31.3.2015) (Rs.)	P/E Ratio	RONW (%)	NAV(Rs)	Face Value
Riddhi Steel & Tube Limited	38.00	4.25	8.94	12.75	33.37	10
Peer Group*						
Suraj Limited	49.40	3.58	13.80	8.08	52.46	10
Hi-Tech Pipes Limited	90.50	15.68	5.77	10.49	125.35	10

*Source: bseindia.com and Annual Reports of respective Companies

CMP for issuer Company is considered as Issue Price

For calculating PE ratio current market price as on 28.04.2016 is considered

Notes:

The peer group identified is broadly based on the service lines that we are into, but their scale of operations is not comparable to us.

The figures of Riddhi Steel And Tube Limited as based on restated financial statements

7. The face value of our share is Rs.10/- per share and the Issue Price is of Rs.38 per share are 3.80 times of the face value.
8. The Company in consultation with the Lead Manager believes that the Issue Price of Rs.38.00 per share for the Public Issue is justified in view of the above parameters. The investors may also want to peruse the risk factors on page 11 and financials on page 114 including important profitability and return ratios, as set out in the Auditors' Report in this Draft Prospectus to have more informed view about the investment proposition.



Statement of Tax Benefits

To,
The Board of Directors
Riddhi Steel and Tube Limited.
83/84 Village-Kamod,
Piplaj Pirana Road
Ahmedabad- 382427.
Dear Sirs,

Sub: Statement of possible tax benefits available to the Company and its Shareholders

We hereby report that the enclosed statement provides the possible tax benefits available to the Company and to the shareholders of the Company under the Income tax Act, 1961(Provisions of Finance Act, 2015) ('IT 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 statute. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company faces in the future, the Company may or may not choose to fulfill.

The benefits discussed in the enclosed statement are not exhaustive. 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 issue.

Our confirmation is based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and the interpretation of the current tax laws in force in India.

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

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

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

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

Yours faithfully,

For C.P. Shah & CO.
Chartered Accountants

Chetan P. Shah
(Proprietor)
Membership No.031239
Place: Ahmedabad
Date: February 22, 2016

Annexure

The Following Key Tax Benefits are available to Riddhi Steel And Tube Limited and the Shareholders Under the Current Direct Tax Laws in India

A. Special Tax Benefits Available to our Company and its Shareholders

- I. **Special Benefits available to the Company:** There are no special tax benefits available to the Company.
- II. **Special Benefits available to the Shareholders of Company:** There are no special tax benefits available to the Equity Shareholders.

B. Other General Tax Benefits to our Company and its Shareholders

The following tax benefits shall be available to the Company and its Shareholders under Direct tax law:

Under the Income-Tax Act, 1961 (“IT Act”):

I. Benefits available to the Company

- 1) **Depreciation:** As per the provisions of Section 32 of the Act, the Company is eligible to claim depreciation on tangible and specified intangible assets (held if any) as explained in the said section and the relevant Income tax rules there under. Business losses, if any, for an assessment year can be carried forward and set off against business profits for eight subsequent years. Unabsorbed depreciation, if any, for an assessment year can be carried forward and set off against any source of income in subsequent years as per provisions of Section 32 of the Act.
- 2) **Dividend Income:** Dividend income, if any, received by the Company from its investment in shares of another domestic Company will be exempt from tax under Section 10(34) read with Section 115-O of the Income Tax Act, 1961.
 - As per provisions of Section 10(34) read with Section 115-O of the Act, dividend (both interim and final), if any, received by the Company on its investments in shares of another Domestic Company is exempt from tax. The Company will be liable to pay dividend distribution tax (DDT) at the rate of 15%. A surcharge of 10% would be levied on the amount of DDT. Further, Education cess of 2% and Secondary Higher Education cess of 1% is levied on the amount of tax and surcharge. Credit in respect of dividend distribution tax paid by a subsidiary of the Company could be available while determining the dividend distribution tax payable by the Company as per provisions of Section 115-O (1A) of the Act, subject to fulfillment of prescribed conditions. For the purposes of determining the tax on distributed profits payable in accordance with this section, any amount by way of dividends referred to in sub-section 115-O (1) as reduced by the amount referred to in sub section 115-O (1A) [hereafter referred to as net distributed profits], shall be increased to such amount as would, after reduction of the tax on such increased amount at the rate specified in sub-section 115-O (1), be equal to the net distributed profits.
 - As per provisions of Section 80G of the Act, the Company is entitled to claim deduction of as specified amount in respect of eligible donations, subject to the fulfillment of the conditions specified in that section.
 - As per the provisions of Section 115BBD of the Act, dividend received by Indian company from a specified foreign company (in which it has shareholding of 26% or more) would be taxable at the concessional rate of 15% on gross basis (excluding surcharge and education cess).
- 3) **Income from Mutual Funds / Units:** As per section 10(35) of the Act, the following income shall be exempt in the hands of the Company:
 - ✓ Income received in respect of the units of a Mutual Fund specified under clause (23D) of section 10; or
 - ✓ Income received in respect of units from the Administrator of the specified undertaking; or
 - ✓ Income received in respect of units from the specified company.

However, this exemption does not apply to any income arising from transfer of units of the Administrator of the specified undertaking or of the specified company or of a mutual fund, as the case may be.

For this purpose (i) “Administrator” means the Administrator as referred to in section 2(a) of the Unit Trust of India (Transfer of Undertaking and Repeal) Act, 2002 and (ii) “Specified Company” means a company as referred to in section 2(h) of the said Act.

- 4) **Income from Long Term Capital Gain:** As per section 10(38) of the Act, long term capital gains arising to the Company from the transfer of a long-term capital asset, being an equity share in a company or a unit of an equity oriented fund where such transaction is chargeable to securities transaction tax would not be liable to tax in the hands of the Company.

For this purpose, “Equity Oriented Fund” means a fund –

- a. Where the investible funds are invested by way of equity shares in domestic companies to the extent of more than sixty five percent of the total proceeds of such funds; and
 - b. Which has been set up under a scheme of a Mutual Fund specified under section 10(23D) of the Act.
- 5) As per section 115JB, the Company will not be able to reduce the income to which the provisions of section 10(38) of the Act apply while calculating “book profits” under the provisions of section 115JB of the Act and will be required to pay Minimum Alternative Tax as follows-

Book Profit	A.Y.2016-17		
	Tax	Surcharge	Cess
If book profit is less than or equal to Rs. 1 Crore	18.5%	-	3%
If book profit is more than 1 Crores but does not exceed Rs. 10 Crores	18.5%	7%	3%
If book profit is more than Rs. 10 Crores	18.5%	12%	3%

- 6) **Credit for Minimum Alternate Taxes (“MAT”)** : Under Section 115JAA (2A) of the Income Tax Act, 1961, tax credit shall be allowed in respect of any tax paid (MAT) under Section 115JB of the Income Tax Act, 1961 for any Assessment Year commencing on or after April 1, 2006. Credit eligible for carry forward is the difference between MAT paid and the tax computed as per the normal provisions of the Income Tax Act, 1961. Such MAT credit shall not be available for set-off beyond 10 assessment years immediately succeeding the assessment year in which the MAT credit initially arose.
- 7) Section 14A of the Act restricts claim for deduction of expenses incurred in relation to incomes which do not form part of the total income under the Act. Thus, any expenditure incurred to earn tax exempt income is not tax deductible.
- 8) As per the provisions of Section 112 of the Income Tax Act, 1961, long-term capital gains as computed above that are not exempt under Section 10(38) of the Income Tax Act, 1961 would be subject to tax at a rate of 20 percent (plus applicable surcharge plus education cess plus secondary and higher education cess). However, as per the provision to Section 112(1), if the tax on long-term capital gains resulting on transfer of listed securities or units, calculated at the rate of 20 percent with indexation benefit exceeds the tax on long-term capital gains computed at the rate of 10 percent without indexation benefit, then such gains are chargeable to tax at a concessional rate of 10 percent (plus applicable surcharge plus education cess plus secondary and higher education cess).
- 9) As per section 54EC of the Act and subject to the conditions and to the extent specified therein, long-term capital gains (in cases not covered under section 10(38) of the Act) arising on the transfer of a long-term capital asset will be exempt from capital gains tax if the capital gains are invested in a “long-term specified asset” within a period of 6 months after the date of such transfer. If only a part of the capital gains is invested, the exemption available shall be in the same proportion as the cost of long term specified assets bears to the whole of the capital gain. Provided that the investment made in the long term specified asset during any financial year does not exceed Fifty Lac rupees. Provided further that the investment made by an assessee in the long-term specified asset, from capital gains arising from transfer of one or more original assets, during the financial year in which the original asset or assets are transferred and in the subsequent financial year does not exceed fifty lakh rupees. However, if the assessee transfers or converts the long-term specified asset into money within a period of three years from the date of their acquisition, the amount of capital gains exempted earlier would become

chargeable to tax as long-term capital gains in the year in which the long-term specified asset is transferred or converted into money.

A “long term specified asset” means any bond, redeemable after three years and issued on or after the 1st day of April 2006:

- a. by the National Highways Authority of India constituted under section 3 of the National Highways Authority of India Act, 1988, and notified by the Central Government in the Official Gazette for the purposes of this section; or
- b. by the Rural Electrification Corporation Limited, a company formed and registered under the Companies Act, and notified by the Central Government in the Official Gazette for the purposes of this section.

10) As per section 111A of the Act, short-term capital gains arising to the Company from the sale of equity share or a unit of As per section 111A of the Act, short-term capital gains arising to the Company from the sale of equity share or a unit of an equity oriented fund transacted through a recognized stock exchange in India, where such transaction is chargeable to securities transaction tax, will be taxable at the rate of 15% (plus applicable surcharge plus education cess plus secondary and higher education cess).

11) **Preliminary Expenses** : Under Section 35D of the Act, the company will be entitled to the deduction equal to 1/5th of the Preliminary expenditure of the nature specified in the said section, including expenditure incurred on present issue, such as Brokerage and other charges by way of amortization over a period of 5 successive years, subject to stipulated limits.

II. **Benefits to the Resident members / shareholders of the Company under the Income-Tax Act, 1961:**

- 1) As per section 10(34) of the Act, any income by way of dividends referred to in Section 115-O (i.e. dividends declared, distributed or paid on or after 1 April 2003) received on the shares of the Company is exempt from tax in the hands of the shareholders.
- 2) Section 48 of the Act, which prescribes the mode of computation of capital gains, provides for deduction of cost of acquisition/ improvement and expenses incurred in connection with the transfer of a capital asset, from the sale consideration to arrive at the amount of capital gains. However, in respect of long-term capital gains, it offers a benefit by permitting substitution of cost of acquisition / improvement with the indexed cost of acquisition / improvement, which adjusts the cost of acquisition / improvement by a cost inflation index as prescribed from time to time.

Under Section 10(38) of the Income Tax Act, 1961, long-term capital gains arising to a shareholder on transfer of equity shares in the company would be exempt from tax where the sale transaction has been entered into on a recognized stock exchange of India and is liable to STT. However, the long-term capital gain of a shareholder being company shall be subject to income tax computation on book profit under section 115JB of the Income Tax, 1961.

- 3) Section 14A of the Act restricts claim for deduction of expenses incurred in relation to incomes which do not form part of the total income under the Act. Thus, any expenditure incurred to earn tax exempt income is not tax deductible.
- 4) As per the provisions of Section 112 of the Income Tax Act, 1961, long-term capital gains as computed above that are not exempt under Section 10(38) of the Income Tax Act, 1961 would be subject to tax at a rate of 20 percent (plus applicable surcharge plus education cess plus secondary and higher education cess). However, as per the provision to Section 112(1), if the tax on long-term capital gains resulting on transfer of listed securities or units, calculated at the rate of 20 percent with indexation benefit exceeds the tax on long-term capital gains computed at the rate of 10 percent without indexation benefit, then such gains are chargeable to tax at a concessional rate of 10 percent (plus applicable surcharge plus education cess plus secondary and higher education cess).
- 5) As per section 54EC of the Act and subject to the conditions and to the extent specified therein, long-term capital gains (in cases not covered under section 10(38) of the Act) arising on the transfer of a long-term capital asset will be exempt from capital gains tax if the capital gains are invested in a “long-term specified asset” within a period of 6 months after the date of such transfer. If only a

part of the capital gains is invested, the exemption available shall be in the same proportion as the cost of long term specified assets bears to the whole of the capital gain. Provided that the investment made in the long term specified asset during any financial year does not exceed Fifty Lac rupees. Provided further that the investment made by an assessee in the long-term specified asset, from capital gains arising from transfer of one or more original assets, during the financial year in which the original asset or assets are transferred and in the subsequent financial year does not exceed fifty lakh rupees. However, if the assessee transfers or converts the long-term specified asset into money within a period of three years from the date of their acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long-term capital gains in the year in which the long-term specified asset is transferred or converted into money.

A “long term specified asset” means any bond, redeemable after three years and issued on or after the 1st day of April 2006:

- a. by the National Highways Authority of India constituted under section 3 of the National Highways Authority of India Act, 1988, and notified by the Central Government in the Official Gazette for the purposes of this section; or
 - b. by the Rural Electrification Corporation Limited, a company formed and registered under the Companies Act, and notified by the Central Government in the Official Gazette for the purposes of this section.
- 6) Under Section 54F of the Income Tax Act, 1961 and subject to the conditions specified therein, long-term capital gains (other than those exempt from tax under Section 10(38) of the Income Tax Act, 1961) arising to an Individual or a Hindu Undivided Family (‘HUF’) on transfer of shares of the company will be exempt from capital gains tax subject to certain conditions, if the net consideration from transfer of such shares are used for purchase of residential house property within a period of 1 year before or 2 years after the date on which the transfer took place or for construction of a residential house property within a period of 3 years after the date of such transfer.
 - 7) Under Section 111A of the Income Tax Act, 1961 and other relevant provisions of the Income Tax Act, 1961, short-term capital gains (i.e., if shares are held for a period not exceeding 12 months) arising on transfer of equity share in the company would be taxable at a rate of 15 percent (plus applicable surcharge plus education cess plus secondary and higher education cess) where such transaction of sale is entered on a recognized stock exchange in India and is liable to STT. Short-term capital gains arising from transfer of shares in a Company, other than those covered by Section 111A of the Income Tax Act, 1961, would be subject to tax as calculated under the normal provisions of the Income Tax Act, 1961.
 - 8) As per section 36(1)(xv) of the Act, the securities transaction tax paid by the shareholder in respect of taxable securities transactions entered in the course of the business will be eligible for deduction from the income chargeable under the head —Profits and Gains of Business or Profession if income arising from taxable securities transaction is included in such income.

III. Non-Resident Indians/Non-Resident Shareholders (Other than FIIs and Foreign Venture Capital Investors)

- 1) Dividend income, if any, received by the Company from its investment in shares of another domestic company will be exempt from tax under Section 10(34) read with Section 115-O of the Income Tax Act, 1961. Income, if any, received on units of a Mutual Funds specified under Section 10(23D) of the Income Tax Act, 1961 will also be exempt from tax under Section 10(35) of the Income Tax Act, 1961, received on the shares of the Company is exempt from tax.
- 2) As per section 10(38) of the Act, long-term capital gains arising to the shareholders from the transfer of a long-term capital asset being an equity share in the Company, where such transaction is chargeable to securities transaction tax would not be liable to tax in the hands of the shareholder.

- 3) Section 14A of the Act restricts claim for deduction of expenses incurred in relation to incomes which do not form part of the total income under the Act. Thus, any expenditure incurred to earn tax exempt income is not tax deductible.
- 4) As per section 54EC of the Act and subject to the conditions and to the extent specified therein, long-term capital gains (in cases not covered under section 10(38) of the Act) arising on the transfer of a long-term capital asset will be exempt from capital gains tax if the capital gains are invested in a “long-term specified asset” within a period of 6 months after the date of such transfer. If only a part of the capital gains is invested, the exemption available shall be in the same proportion as the cost of long term specified assets bears to the whole of the capital gain. Provided that the investment made in the long term specified asset during any financial year does not exceed Fifty Lac rupees. Provided further that the investment made by an assessee in the long-term specified asset, from capital gains arising from transfer of one or more original assets, during the financial year in which the original asset or assets are transferred and in the subsequent financial year does not exceed fifty lakh rupees. However, if the assessee transfers or converts the long-term specified asset into money within a period of three years from the date of their acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long-term capital gains in the year in which the long-term specified asset is transferred or converted into money.
 A “long term specified asset” means any bond, redeemable after three years and issued on or after the 1st day of April 2006:
 - a. by the National Highways Authority of India constituted under section 3 of the National Highways Authority of India Act, 1988, and notified by the Central Government in the Official Gazette for the purposes of this section; or
 - b. by the Rural Electrification Corporation Limited, a company formed and registered under the Companies Act, and notified by the Central Government in the Official Gazette for the purposes of this section.
- 5) Under Section 54F of the Income Tax Act, 1961 and subject to the conditions specified therein, long-term capital gains (other than those exempt from tax under Section 10(38) of the Income Tax Act, 1961) arising to an Individual or a Hindu Undivided Family (HUF) on transfer of shares of the company will be exempt from capital gains tax subject to certain conditions, if the net consideration from transfer of such shares are used for purchase of residential house property within a period of 1 year before or 2 years after the date on which the transfer took place or for construction of a residential house property within a period of 3 years after the date of such transfer.
- 6) Under Section 111A of the Income Tax Act, 1961 and other relevant provisions of the Income Tax Act, 1961, short-term capital gains (i.e., if shares are held for a period not exceeding 12 months) arising on transfer of equity share in the company would be taxable at a rate of 15 percent (plus applicable surcharge plus education cess plus secondary and higher education cess) where such transaction of sale is entered on a recognized stock exchange in India and is liable to STT. Short-term capital gains arising from transfer of shares in a Company, other than those covered by Section 111A of the Income Tax Act, 1961, would be subject to tax as calculated under the normal provisions of the Income Tax Act, 1961.
- 7) Under section 115-C (e) of the Act, the Non-Resident Indian shareholder has an option to be governed by the provisions of Chapter XIIA of the Act viz. “Special Provisions Relating to Certain Incomes of Non-Residents” which are as follows:
 - (i) As per provisions of section 115D read with section 115E of the Act, where shares in the Company are acquired or subscribed to in convertible foreign exchange by a Non-Resident Indian, capital gains arising to the nonresident on transfer of shares held for a period exceeding 12 months, shall (in cases not covered under section 10(38) of the Act) be concessionaly taxed at the flat rate of 10% (plus applicable surcharge plus education cess plus secondary and higher education cess) (without indexation benefit but with protection against foreign exchange fluctuation).
 - (ii) As per section 115F of the Act, long-term capital gains (in cases not covered under section 10(38) of the Act) arising to a Non-Resident Indian from the transfer of shares of the company

subscribed to in convertible foreign exchange shall be exempt from income tax, if the net consideration is reinvested in specified assets within six months from the date of transfer. If only part of the net consideration is so reinvested, the exemption shall be proportionately reduced. The amount so exempted shall be chargeable to tax subsequently, if the specified assets are transferred or converted into money within three years from the date of their acquisition.

- (iii) As per section 115G of the Act, Non-Resident Indians are not obliged to file a return of income under section 139(1) of the Act, if their only source of income is income from specified investments or long-term capital gains earned on transfer of such investments or both, provided tax has been deducted at source from such income as per the provisions of Chapter XVII-B of the Act.
 - (iv) As per section 115H of the Act, where the Non-Resident Indian becomes assessable as a resident in India, he may furnish a declaration in writing to the Assessing Officer, along with his return of income for the assessment year in which he is first assessable as a Resident, under section 139 of the Act to the effect that the provisions of the Chapter XII-A shall continue to apply to him in relation to such investment income derived from the specified assets for that year and subsequent assessment years until such assets are converted into money.
 - (v) As per section 115-I of the Act, a Non-Resident Indian may elect not to be governed by the provision of Chapter XII-A for any assessment year by furnishing his return of income for that assessment year under section 139 of the Act, declaring therein that the provisions of Chapter XIIA shall not apply to him for that assessment year and accordingly his total income for that assessment year will be computed in accordance the other provisions of the Act.
- 8) The tax rates and consequent taxation mentioned above shall be further subject to any benefits available under the Tax Treaty, if any, between India and the country in which the non-resident has fiscal domicile. As per the provisions of section 90(2) of the Act, the provisions of the Act would prevail over the provisions of the Tax Treaty to the extent they are more beneficial to the non-resident.

IV. Benefits available to Foreign Institutional Investors ('FIIs') under the Income Tax Act, 1916:

- 1) Dividend income, if any, received by the Company from its investment in shares of another domestic company will be exempt from tax under Section 10(34) read with Section 115-O of the Income Tax Act, 1961. Income, if any, received on units of a Mutual Funds specified under Section 10(23D) of the Income Tax Act, 1961 will also be exempt from tax under Section 10(35) of the Income Tax Act, 1961 received on the shares of the Company is exempt from tax.
- 2) As per section 10(38) of the Act, long-term capital gains arising to the FIIs from the transfer of a long-term capital asset being an equity share in the Company or a unit of equity oriented fund where such transaction is chargeable to securities transaction tax would not be liable to tax in the hands of the FIIs.
- 3) As per section 115AD of the Act, FIIs will be taxed on the capital gains that are not exempt under the section 10(38) of the Act at the following rates:

Nature of income	Rate of tax (%)
Long-Term Capital Gain	10
Short-Term Capital Gain (Referred to Section 111A)	15
Short-Term Capital Gain (other than under section 111A)	30

The above tax rates have to be increased by the applicable surcharge, education cess, and secondary and higher education cess.

- 4) In case of long-term capital gains, (in cases not covered under section 10(38) of the Act), the tax is levied on the capital gains computed without considering the cost indexation and without considering foreign exchange fluctuation.
- 5) As per section 54EC of the Act and subject to the conditions and to the extent specified therein, long-term capital gains (in cases not covered under section 10(38) of the Act) arising on the

transfer of a long-term capital asset will be exempt from capital gains tax if the capital gains are invested in a “long-term specified asset” within a period of 6 months after the date of such transfer. If only a part of the capital gains is invested, the exemption available shall be in the same proportion as the cost of long term specified assets bears to the whole of the capital gain. Provided that the investment made in the long term specified asset during any financial year does not exceed Fifty Lac rupees. Provided further that the investment made by an assessee in the long-term specified asset, from capital gains arising from transfer of one or more original assets, during the financial year in which the original asset or assets are transferred and in the subsequent financial year does not exceed fifty lakh rupees. However, if the assessee transfers or converts the long-term specified asset into money within a period of three years from the date of their acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long-term capital gains in the year in which the long-term specified asset is transferred or converted into money.

A “long term specified asset” means any bond, redeemable after three years and issued on or after the 1st day of April 2006:

- a. by the National Highways Authority of India constituted under section 3 of the National Highways Authority of India Act, 1988, and notified by the Central Government in the Official Gazette for the purposes of this section; or
 - b. by the Rural Electrification Corporation Limited, a company formed and registered under the Companies Act, and notified by the Central Government in the Official Gazette for the purposes of this section.
- 6) The tax rates and consequent taxation mentioned above shall be further subject to any benefits available under the Tax Treaty, if any, between India and the country in which the FII has fiscal domicile. As per the provisions of section 90(2) of the Act, the provisions of the Act would prevail over the provisions of the Tax Treaty to the extent they are more beneficial to the FII.
- 7) However, where the equity shares form a part of its stock-in-trade, any income realized in the disposition of such equity shares may be treated as business profits, taxable in accordance with the DTAA between India and the country of tax residence of the FII. The nature of the equity shares held by the FII is usually determined on the basis of the substantial nature of the transactions, the manner of maintaining books of account, the magnitude of purchases, sales and the ratio between purchases and sales and the holding etc. If the income realized from the disposition of equity shares is chargeable to tax in India as business income, FII's could claim, STT paid on purchase/sale of equity shares as allowable business expenditure. Business profits may be subject to applicable Tax Laws.

V. Venture Capital Companies/Funds

Under Section 10(23FB) of the Income Tax Act, 1961, any income of Venture Capital company / funds (set up to raise funds for investment in venture capital undertaking notified in this behalf) registered with the Securities and Exchange Board of India would be exempt from income tax, subject to conditions specified therein. As per Section 115U of the Income Tax Act, 1961, any income derived by a person from his investment in venture capital companies / funds would be taxable in the hands of the person making an investment in the same manner as if it were the income received by such person had the investments been made directly in the venture capital undertaking.

VI. Mutual Funds

As per Section 10(23D) of the Act, any income of Mutual Funds registered under the Securities and Exchange Board of India Act, 1992 or Regulations made there under, Mutual Funds set up by public sector banks or public financial institutions and Mutual Funds authorized by the Reserve Bank of India would be exempt from income tax, subject to such conditions as the Central Government may by notification in the Official Gazette specify in this behalf.

Tax Treaty Benefits

An investor has an option to be governed by the provisions of the Income Tax Act, 1967 or the provisions of a Tax Treaty that India has entered into with another country of which the investor is a tax resident, whichever is more beneficial.



Benefits available under the Gift Tax Act: Gift tax is not leviable in respect of any gifts made on or after 1st October 1998. Therefore, any gift of shares of the Company will not attract gift tax in the hands of the donor.

Benefits available under the Gift Tax Act: Wealth tax is chargeable on prescribed assets. As per provisions of Section 2(m) of the Wealth Tax Act, 1957, the Company is entitled to reduce debts owed in relation to the assets which are chargeable to wealth tax while determining the net taxable wealth.

Shares in a company, held by a shareholder are not treated as an asset within the meaning of Section 2(ea) of the Wealth Tax Act, 1957 and hence, wealth tax is not applicable on shares held in a company.

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 of Possible Direct Tax Benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of equity shares;
- 3) The above Statement of Possible Direct Tax Benefits sets out the possible tax benefits available to the Company and its shareholders under the current tax laws presently in force in India as amended from time to time. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws;
- 4) This Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue;
- 5) In respect of non-residents, the tax rates and the consequent taxation mentioned above shall be further subject to any benefits available under the Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile; and
- 6) The stated benefits will be available only to the sole/first named holder in case the shares are held by joint shareholders.

Section IV - About our Company

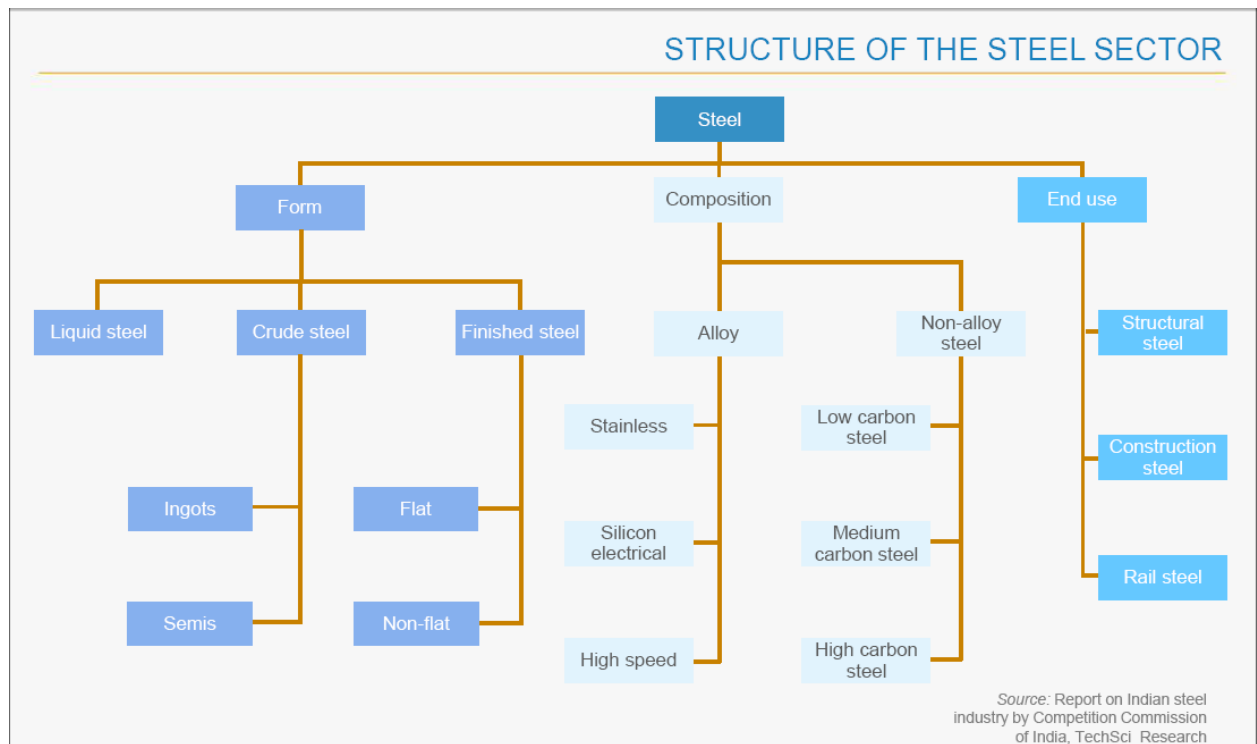
Industry Overview

This is only the summary and does not contain all information that you shall consider before investing in Equity Shares. You should read the entire Draft Prospectus, including the information on “Risk Factors” and related notes on page 11 of this Draft Prospectus before deciding to invest in Equity Shares.

INDUSTRY OVERVIEW

Steel Industry Overview :

Steel is a metal alloy consisting of iron as the key component. Steel also consists of carbon and other alloys, which vary according to the grade of steel, and is generally considered to be a cornerstone of industrial development. Steel is highly versatile, as it is hot and cold formable, weldable, hard, lustrous, a good conductor of heat and electricity, malleable, ductile, recyclable and resistant to corrosion, water and heat. The industries in which steel is used include construction, automotive and transportation and engineering. Steel is also used in the production of power lines, pipelines, electrical and electronic appliances and containers.



Indian Steel Industry :

India is the world’s third-largest producer of crude steel (up from eighth in 2003) and is expected to become the second-largest producer by 2016. The growth in the Indian steel sector has been driven by domestic availability of raw materials such as iron ore and cost-effective labour. Consequently, the steel sector has been a major contributor to India’s manufacturing output.

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

Market Size:

Total finished steel production in India has increased at a CAGR of 7.45 per cent over FY 11-15 to 91.46 million tonnes per annum (MTPA). The country has become the third-largest crude Steel producer in 2015, as large public and private sector players strengthen steel production capacity in view of rising demand. Moreover,

capacity is also expected to increase from 100 million tonnes (MT) to 112.5 MT by FY 16 while in coming 10 years the country is anticipated to produce 300 MT of steel.

India's crude steel capacity reached 109.85 million tonnes (MT) in 2014-15, a growth of 7.4 per cent. Production of crude steel grew by 8.9 per cent to 88.98 MT. Total finished steel production for sale increased by 5.1 per cent to 92.16 MT. Consumption of total finished steel increased 3.9 per cent to 76.99 MT.

The steel sector in India contributes nearly two per cent of the country's gross domestic product (GDP) and employs over 600,000 people. The per capita consumption of total finished steel in the country has risen from 51 Kg in 2009-10 to about 59 Kg in 2014-15. India's steel consumption for FY 2015-16 is estimated to increase by 7 per cent, higher than 2 per cent growth last year, due to improving economic activity.

Trend and Technology:

Growing investments:

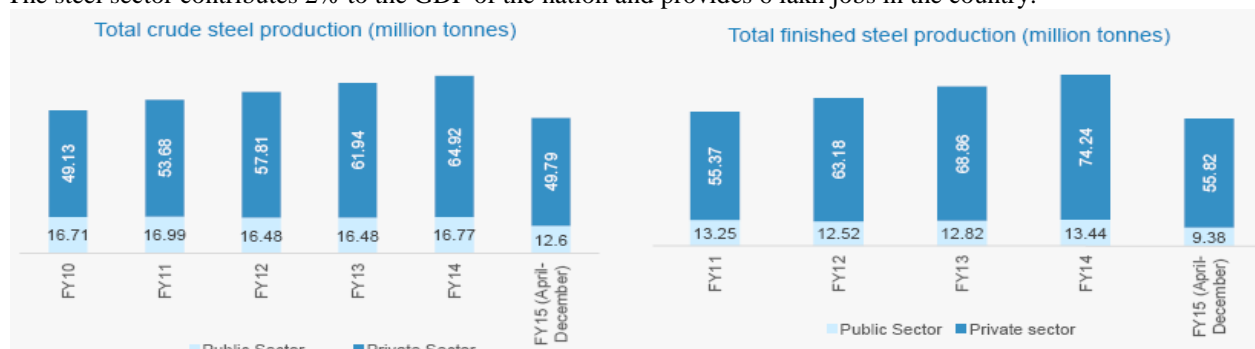
- To enhance capacity by 488.66 million tonnes, 301 MOUs have been signed with states
- Potential steel addition capacity would attract an investment of USD83 to USD166 billion
- India is expected to become the second largest crude steel producer globally by 2015-16
- Most of the companies in the industry are undertaking modernization and expansion of plants to be more cost efficient.

Increased emphasis on technological innovations:-

- Indian steel companies have now started benchmarking their facilities and processes against global standards, to enhance productivity
- These steps are expected to help Indian companies improve raw material and energy consumption as well as improve compliance with environmental and pollution yardsticks
- Companies are attempting coal gasification and gas-based Direct-Reduced Iron (DRI) production. Other alternative technologies such as Hlsmelt, Finex and ITmk3 being adopted to produce hot metal
- Ministry of Steel has issued necessary direction to the steel companies to frame a strategy for taking up more R&D projects by spending at least 1 per cent of their sales turnover on R&D to facilitate technological innovations in the steel sector.
- Ministry has established a task force to identify the need for technology development and R&D
- Ministry has adopted energy efficiency improvement projects for mills operating with obsolete technologies

Finished steel production increased 7.72 percent from 85.0 MT to 91.46 MT in FY 14; analysts expect production figures to improve rapidly over the next five years, with the Ministry of Steel forecasting production levels at 115.3 MT by FY 17

The steel sector contributes 2% to the GDP of the nation and provides 6 lakh jobs in the country.



Segments:

As steel demand emanates from the various end using segments, category wise estimates of steel demand is best related to the activity levels in segments that account for a major share of consumption of steel in that category for instance, in construction, automobile, railway transport, transportation of oil & gas, ship building, capital



goods (heavy machinery equipments), consumer durables, agricultural equipments, etc. would by and large account for a significant portion of steel consumption.

Opportunities:

Automotive:

- The automotives industry is forecasted to grow in size by USD74 billion to 260- 300 billion from 2015 to 2026.
- With increasing capacity addition in the automotive industry, demand for steel from the sector is expected to be robust.

Capital goods:

- The capital goods sector accounts for 11 per cent of steel consumption and expected to increase 14/15 per. cent by 2025-26, and has the potential to increase in tonnage and market share.
- Corporate India's capex is expected to grow and generate greater demand for steel.

Infrastructure:

- The infrastructure sector accounts for 9 per cent of steel consumption and expected to increase 11 per cent by 2025-26.
- Due to such a huge investment in infrastructure the demand for long steel products would increase in the years ahead.

Airports:

- More and more modern and private airports are expected to be set up.
- Development of Tier- II city airports would sustain consumption growth.
- Estimated steel consumption in airport building is likely to grow more than 20 per cent over next few years.

Railways:

- The Dedicated Rail Freight Corridor (DRFC) network expansion would be enhanced in future.
- Gauge conversion, setting up of new lines and electrification would drive steel demand.
- Indian Railways started the PPP mode of funding and has already awarded projects worth around USD1.73 billion during the first seven months (April-October) of FY16.

Oil and gas :

- The liquid fuel transportation pipeline network is likely to grow from the present 16,800 km to 22,000 km in 2014.
- This would lead to an increase in demand of steel tubes and pipes, providing a lucrative opportunity to the steel industry.
- Investment of USD70 billion are expected during 2012-17.

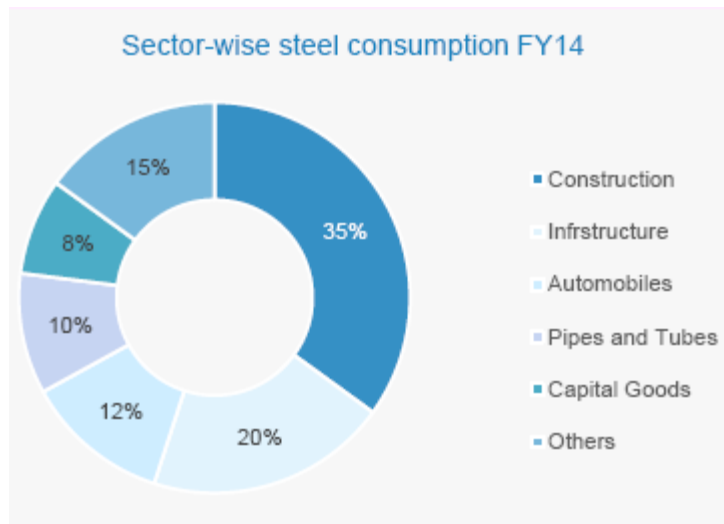
Power:

- The government targets capacity addition of 88.5 GW under the 12th Five-Year Plan (2012–17) and around 100 GW under the 13th Five-Year Plan (2017–22).
- Both generation and transmission capacities would be enhanced, thereby raising steel demand from the sector

Rural India:

- Rural India is expected to reach per capita consumption of 12.11 kg to 14 kg for finished steel by 2020.
- Policies like Bharat Nirman and Rajiv Gandhi Awas Yojna are driving growing demand for construction steel in rural India.

Sector wise Steel Consumption:



Investments:-

Steel industry and its associated mining and metallurgy sectors have seen a number of major investments and developments in the recent past. According to the data released by Department of Industrial Policy and Promotion (DIPP), the Indian metallurgical industries attracted Foreign Direct Investments (FDI) to the tune of US\$ 8.7 billion, respectively, in the period April 2000–September 2015.

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

- National Mineral Development Corporation (NMDC) has planned to invest Rs 40,000 crore (US\$ 6.1 billion) in the next eight years to achieve mining capacity of 75 million tonnes per annum (MTPA) by FY2018-19 and 100 MTPA by FY2021-22, compared to 48 MTPA current capacity.
- Posco Korea, the multinational Korean steel company, has signed an agreement with Shree Uttam Steel and Power (part of Uttam Galva Group) to set up a steel plant at Satarda in Maharashtra.
- Iron ore output in India is expected to increase by 25 per cent to 153 Million Tonnes in FY 2016, which in turn will help reduce iron ore imports by two-thirds to five Million Tonnes, SAIL plans to invest US\$23.8 billion to increase the steel production to 50 MTPA by 2025.
- ArcelorMittal, world's leading steel maker, has agreed a joint venture with Steel Authority of India Ltd (SAIL) to set up an automotive steel manufacturing facility in India.
- Iran has evinced interest in strengthening ties with India in the steel and mines sector, said ambassador of the Islamic Republic of Iran, Mr Gholamreza Ansari in his conversation with Minister of Steel and Mines, Mr Narendra Singh Tomar.
- Public sector mining giant NMDC Ltd will set up a greenfield 3-million tonne per annum steel mill in Karnataka jointly with the state government at an estimated investment of Rs 18,000 crore (US\$ 2.8 billion).
- JSW Steel has announced to add capacity to make its plant in Karnataka the largest at 20 MT by 2022.

Government Initiatives:-

The Government of India is aiming to scale up steel production in the country to 300 MT by 2025 from 81 MT in 2013-14. The Ministry of Steel has announced to invest in modernisation and expansion of steel plants of Steel Authority of India Limited (SAIL) and Rashtriya Ispat Nigam Limited (RINL) in various states to enhance the crude steel production capacity in the current phase from 12.8 MTPA to 21.4 MTPA and from 3.0 MTPA to 6.3 MTPA respectively.

The Minister of Steel & Mines, Mr. Narendra Singh Tomar, has reiterated commitment of Central Government to support the steel industry to reach a production target of 300 Million Tonne Per Annum (MTPA) in 2025.

The Ministry of Steel is facilitating setting up of an industry driven Steel Research and Technology Mission of India (SRTMI) in association with the public and private sector steel companies to spearhead research and development activities in the iron and steel industry at an initial corpus of Rs 200 crore (US\$ 31.67 million).

Some of the other recent government initiatives in this sector are as follows:

- Government of India plans to auction eight coal blocks with reserves of 1,143 million tonnes to steel and cement firms in January 2016, as per coal secretary Mr Anil Swarup.
- Government has planned Special Purpose Vehicles (SPVs) with four iron ore rich states i.e., Karnataka, Jharkhand, Orissa, and Chhattisgarh to set up plants having capacity between 3 to 6 MTPA.
- SAIL plans to invest US\$ 23.8 billion for increasing its production to 50 MTPA by 2025. SAIL is currently expanding its capacity from 13 MTPA to 23 MTPA, at an investment of US\$ 9.6 billion.
- A Project Monitoring Group (PMG) has been constituted under the Cabinet Secretariat to fast track various clearances/resolution of issues related to investments of Rs 1,000 crore (US\$ 152 million) or more.
- To increase domestic value addition and improve iron ore availability for domestic steel industry, duty on export of iron ore has been increased to 30 per cent.

Road ahead:-

India is expected to become the world's second largest producer of crude steel in the next 10 years, moving up from the third position, as its capacity is projected to increase to about 300 MT by 2025. Huge scope for growth is offered by India's comparatively low per capita steel consumption and the expected rise in consumption due to increased infrastructure construction and the thriving automobile and railways sectors.

Exchange Rate: INR 1 = US\$ 0.015 as on December 17, 2015

Sources: www.ibef.org



Business Overview

In this section “our Company” refers to the Company, while “we”, “us” and “our” refers to Riddhi Steel and Tube Limited. Unless otherwise stated or the context otherwise requires, the financial information used in this section is derived from our restated financial information. This section should be read together with "Risk Factors" on page 11 and "Industry Overview" on page 69.

Our Company was originally incorporated on September 07, 2001, as Riddhi Steel and Tube Private Limited under the provisions of the Companies Act, 1956 with the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Our Company was converted into a public limited company and accordingly the name of our Company was changed to Riddhi Steel and Tube Limited pursuant to a special resolution passed by our Shareholders at the EGM held on January 08, 2016. A fresh certificate of incorporation consequent upon conversion to public limited company was issued on February 01, 2016.

We are engaged in the manufacturing of black and galvanized steel pipes in the various sizes having wide application in varied industries including power sector, agro based industries, construction industries, structural, scaffolding, irrigation and engineering industries, air and gas transportation, fire fighting applications etc. We also manufacture steel square hollow sections (SHS) and rectangular hollow sections (RHS) in a various size and thickness.

We are currently operating from Ahmedabad, Gujarat and the promoters of our Company are Mr. Rajesh Kumar R. Mittal, Ms. Preeti R. Mittal, Mr. Rajat R. Mittal and Ms. Riddhi R. Mittal. Our manufacturing unit is located at 83/84, Village Piplaj, Pirana Road, Aslali, Ahmedabad- 382427 and has an installed capacity of 60,000 MT p.a. In addition to that we have various dealers all across India selling our goods.

We are ISO 9001:2008 certified Company in compliance with quality management system and have also attained the license from the Bureau of Indian Standard for our various products. Please refer page 147 Under section titled “Government Approval” of this Draft Prospectus.

We endeavour to satisfy our customer by continuous improvement through process innovation and quality maintenance. We aim to grow our operations on PAN India basis and make our brand as distinguished name in steel pipe manufacturing industry.

Our Manufacturing Unit

We produced 30934.52 MTs in the financial year 2014-15 whereas we have an installed capacity of 60,000 MT per annum. The manufacturing unit is located at 83/84, Village Piplaj, Pirana Road, Aslali, Ahmedabad- 382 427.

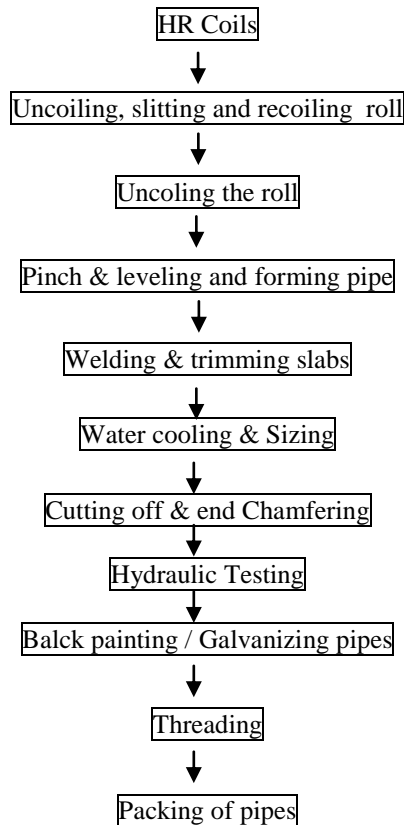
Past Production Figures:

Particular	For the Financial Year						
	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16 (Estimated)	2016-17 (Estimated)
Installed Capacity (MT)	12,000	12,000	60,000	60,000	60,000	60,000	60,000
Capacity Utilization (MT)	16775.90*	19817.92*	23658.57	24709.32	30934.52	31750	34000
Capacity Utilization (%)	139.80	165.14	39.43	41.18	51.55	52.91	56.67

* working in multiple shifts

For manufacturing steel tubes and pipes, we use equipments like Slitting Line, Tube Mill Machine, HF Welder, Angle Grinder, Strighting Machine ,cranes, Welding Machine, Burners, Material Handling Trolley etc.,

Manufacturing Process



The process of manufacturing of our products

HR Coils are Slitted to predetermined width for each size of pipe and thickness. Slitted coil uncoiled at the entry of ERW mill and the ends sheared and welded one after another to make it a single endless strip.

The steel strip is made to pass through set of forming and fin rolls and is moulded in a circular shape. At the welding stage, strip edges are heated to a plastic stage and fused thus ensuring a perfect sound weld without addition of any foreign material. Alternating current with high frequency is directed to heat the strips edges. The outside and inside surface (if needed) is flushed by removing the excess and weld through tolls.

The pipes are then passed through set of sizing roll for achieving dimensional accuracy as per standard requirement. The pipes are machine cut to the required length by flying saw cutter / disc cutter. The pipes are further processed through end facing for burr removal / bevelling. Each pipe is hydraulically tested at the required test pressure and then sent for galvanizing, threading and varnishing etc.

At the last, finished pipes are bundled in desired number of pieces as per requirement and packed properly for safe storage until delivery.

❖ SWOT ANALYSIS

Strength

- Efficient and dedicated Management Team.
- Low cost and efficient labour force.
- Easy availability of raw material.
- In depth knowledge of Industry-commercial & technical.

Weakness



- Dependent upon few customers for our business.
- Global economic slowdown.

Opportunities

- Unexplored rural market which provides huge platform for production as well as consumption.
- Growing domestic demand.
- Export market penetration.

Threats

- Market price fluctuation of raw materials and finished goods.
- Threats of substitute.
- Technological change.
- There are no entry barriers in our industry which puts us to the threat of competition from new entrants.

Our strengths:

We derive our strengths from following factors:

Qualified and Experienced Management Team: - We have qualified and experienced management team and substantially contributing to the growth of our business operations. The Promoter and the Senior Management team of our Company have significant industry experience and have been instrumental in the growth of our Company's performance. We believe that our management team is well placed to provide strategic leadership and direction to explore new emerging opportunities as well as constantly improve our current operations. Our team works in the form of composite work group and their dedicated performance has enabled us to build up capabilities to expand our business.

Quality assurance: We carry out stringent quality tests at every stage of manufacturing process and the desired chemical compositions are maintained right through the process. After manufacturing, the products are also carefully inspected by an expert quality team and evaluated on various parameters. Our products are ISI approved, thus ensuring qualitative standards.

Customer Centric Business: We believe customer satisfaction is the leading indicator of consumer repurchases intentions and loyalty. A brand with loyal customers, gains positive word-of-mouth marketing, which is both free and highly effective. We focus in our business to achieve highest level of customer satisfaction. The progress achieved by us is predominately due to our ability to address and exceed customer satisfaction. We are committed to customer satisfaction by continuous improvement through process innovation keeping cost under check.

ISO Certified Organization: We are an ISO 9001:2008 certified organization. ISO 9001:2008 certifies that a management system, manufacturing process, service procedure has all the requirements for standardization and quality assurance. Having obtained the certification, it ensures our company's commitment towards quality management system as well as increasing the credibility and customer confidence in the brand / product.

Marketing strategies: Our marketing team is ready to take up challenges so as to scale new heights in domestic as well as in national markets. Our commitment and competitive price have helped us penetrate the market.

Growth Driven:-Our Company has witnessed substantial growth in past few years. Turnover of our Company have increased from Rs. 11965.44 Lacs in the fiscal 2010-11 to Rs. 23389.07 Lacs in the fiscal 2014-15 resulting in the increase of 95.47% over the past 5 years. Profit after tax of our Company have increased from Rs.111.15 Lacs in the fiscal 2010-11 to Rs. 253.18 Lacs in the fiscal 2014-15 resulting in the increase of 127.78 % over the past 5 years.

Our Business Strategy

The elements of our business strategy are as follows:

Expansion of Domestic Market:-We intend to expand our geographical reach and enter the large domestic market for growth opportunities of our business. Currently we have limited presence and we plan to deepen our



presence in the existing market and expand our reach and penetrate into the large available market by giving scale down low price solution and grab major market share.

Competitive Pricing:-To remain aggressive and capitalize a good market share, we believe in offering competitive prices to our customers. This helps us to sustain the cut-throat competition and withhold a strong position in the market.

Constant technology upgradation:- We intend to focus on upgradation of our machineries and equipments used in our business and will continue to do so to improve our productivity.

Leveraging our market skills and relationship:- Leveraging our market skills and relationship is a continuous process in our organisation and the skills that we impart in our people give importance to customers. We aim to do this by Leveraging our market skills and relationships and further enhancing customer satisfaction.

Promotion of our brand recognition:-We propose to increase the brand recognition through various brand building efforts, communication and various promotional initiatives. Such promotion would enhance the visibility of our brand and also enhance our business positioning and credibility to the satisfaction of our customers.

Enhance our customer base:-Our Company intends to grow business continuously by adding new customers and thereby grow revenues. We aim to do this by effective leveraging of our marketing skills & relationship and further enhancing customer satisfaction.

Attract, train and retain qualified personnel:- We believe that maintaining quality, ensuring timely delivery, minimising costs, and completion of our proposed project depend largely upon the technical skill and workmanship of our employees and adoption of latest technology. We intend to improve our competitiveness by increasing our focus on training our staff and honing their skills. We continuously train our workforce to enhance their knowledge and equip them with the latest skill sets.

Collaborations

The Company has so far not entered into any technical or financial collaboration agreement.

Utilities:-

Water

Water is the key and indispensable resource requirement in our manufacturing process. Our Company have made adequate arrangements to meet its water requirement.

Power

Total sanction load of power as on date is 1100 KW. The power is made available by the Torrent Power Limited. This would be adequate for the present as well as estimated future requirements of our manufacturing facility

Raw Material

For manufacturing steel tubes and pipes, the company uses the raw materials like, Hot Rolled Coil, zinc, Welding Material, Polishing Material etc. Suppliers of the products are selected and evaluated based on their ability to supply the required quality and quantity, past performance and customer requirements. The major suppliers of HR Coils are Steel Authority of India and Essar Steel Limited.

Human Resources

The details of manpower employed as on date are as set forth below:-

Category	No. of Employees
Managing Director	1
Company Secretary and Compliance Officer	1

Chief Financial Officer	1
Production Engineer	1
Head ¹	3
Executive ²	9
Manager ³	2
Workers	22
Other ⁴	4
Total	44

Note:-

1. Head includes production head, production junior head, quality head.
2. Executive includes production executive, account executive, HR executive, sales executive, store executive, store junior executive.
3. Manager includes accounts manager and HR manager.
4. Others include Production assistant, accountant, account assistant, marketing assistant.

Major Customer

The major customers of our Company are set forth below:-


1. Standard Belex india pvt ltd
2. Vijay Sales corporation
3. Chetak Tube Traders
4. Ghanshyam Traders
5. Arham Steel Trader
6. Veer Brothers


Competition

We face competition for our products from other manufacturers in domestic market on the basis of product range, product quality, and product price including factors based on reputation, regional needs, and customer convenience. Our competition varies for our products and regions. Our competition depends on the products being offered by various companies in the organized segment besides several other factors like quality, price and capacity to deliver. Competition emerges from organized sector as well as from the unorganized sector and from both small and big players. We believe that we are able to compete effectively with them due to our diversified product portfolio, strong marketing network, customized and quality processing services.

Products:

Our product includes:

Products	Size Range	Specifications/Grades	Photos
ERW Mild Steel Black Pipes	15 mm to 300 mm	IS:1239 / 1161	

ERW Mild Steel Galvanized Pipes	15 mm to 150 mm	IS:1239 / 1161	
Square / Rectangular hollow sections	25x25 mm to 200x200 mm 50x25 mm to 200x150 mm	IS: 4923-1997	

Export Possibility and Obligation

At present, we do not have any export obligation.

Marketing Strategy

We undertake an exercise periodically to identify existing and prospective customers with the potential to develop into large clients. Our senior management is actively involved in managing customer relationships and business development through targeted interaction with multiple contacts at different levels on an ongoing basis. Our Company proposes to market the products to the major users of our products viz. infrastructure industry, construction industry, transportation and process engineering industry etc. We also propose to market our products through placing advertisement in newspapers, trade journals, participate in exhibitions and trade fairs and display our wide range of products to promote our products.

Quality Control

Our Company has met quality standards and has received ISO 9001: 2008 certification for our products. We have also attained the license from the Bureau of Indian Standard for our various products. Our dedication toward quality of products, processes and inputs get us repetitive orders from our customers.

Our Properties

Our Registered Office and manufacturing unit is situated at 83/84, Village Piplaj, Pirana Road, Aslali, Ahmedabad - 382 427.



The details of our properties are set forth below:

Sr. No.	Location	Title (Leased / Owned / Rental / Leave and License)	Agreement Valid from	Agreement Valid till	Rent per annum / Acquisition Cost (in Rs.)
1	83, Village Piplaj, Post - Aslali, Ahmedabad - 382 427	Lease Deed	30/06/2008	31/03/2038	23,000/-
2	84, Village Piplaj, Post - Aslali, Ahmedabad - 382 427	Lease Deed	30/06/2008	31/03/2038	20,000/-
3	85, Village Piplaj, Post - Aslali, Ahmedabad - 382 427	Lease Deed	24/04/2002	31/03/2032	24,000/-
4	Khewat No. 704/689, Khatuni No. 896, Khasra No. 139/3/2/2(0-18), 4/2(2-0), 5/2(1-18), 6(6-19),7(7-7), 8 (5-3), Village Talwandi Rana, Tehsil & District Hisar, Punjab- 125001	Lease Deed	16/08/2013	28/05/2043	1,00,000/-

Intellectual Property:

Set forth below are the Registered Trademarks under the Trademarks Act, 1999, in the name of our Company:

S. No.	Trademark	Date of Issue Certificate	Trade Mark No.	Class	Date of Expiry	Status
(i)	RIDDHI	23/03/2005	1083189	6	26/02/2022	Registered

Insurance Policies

S. N.	Particulars	Sum Insured (Rs. In Lacs)	Premium (Rs.)	Policy Details	Validity
1	Private Car Package Policy (Audi A6)	19.95	49,490.67/-	94244097 of IFFCO-TOKIO General Insurance Co. Ltd	From 29/09/2015 to 28/09/2016
2	Private Car Package Policy (Hyundai Verna)	6.70	13,323/-	915101005659320000 of L&T General Insurance Co. Ltd	From 08/08/2015 to 07/08/2016
3	Two Wheeler Policy (Hera Honda CD Deluxe)	0.23	763.80/-	93467984 of IFFCO-TOKIO General Insurance Co. Ltd	From 03/08/2015 to 02/08/2016
4	Public Liability Industrial Policy	11.00	5192/-	0602002715P104561035 of United India Insurance Company Ltd	From 22/07/2015 to 21/07/2016
5	Workmen's Compensation Insurance Policy	40.80	39,625/-	4010/105002646/00/000 of ICICI Lombard General Insurance Company Ltd.	From 16/07/2015 to 15/07/2016
6	Standard Fire And Special Perils Policy	1736.06	1,67,058.07/-	0602001115P105828729 of United India Insurance Company Ltd	From 19/08/2015 to 18/08/2016

Key Industry 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 the various legislations, including rules and regulations promulgated by the regulatory bodies and the bye laws of the respective local authorities that are available in the public domain. 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 advice. For details of Government Approvals obtained by the Company in compliance with these regulations, see section titled “Government and Other Approvals” beginning on page 147 of this Draft Prospectus.

Important General laws:

The Companies Act, 1956

The Companies Act, 1956 dealt with laws relating to companies and certain other associations. It was enacted by the Parliament in 1956. The Act primarily regulated the formation, financing, functioning and winding up of companies. The Act prescribed regulatory mechanism regarding all relevant aspects, including organizational, financial and managerial aspects of companies. Regulation of the financial and management aspects constituted the main focus of the Act. In the functioning of the corporate sector, although freedom of companies was important, protection of the investors and shareholders, on whose funds they flourish, was equally important. The Act played 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 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. Further 183 sections have been notified on March 26, 2014 and have become applicable from April 1, 2014. The Ministry of Corporate Affairs, has also issued rules complementary to the Companies Act, 2013 establishing the procedure to be followed by companies in order to comply with the substantive provisions of the Companies Act, 2013.

The Micro, Small and Medium Enterprises Development Act, 2006

The Micro, Small and Medium Enterprises Development Act, 2006 as amended from time to time (‘MSMED Act’) seeks to facilitate the development of micro, small and medium enterprises. The MSMED Act provides that where an enterprise is engaged in the manufacturing and production of goods pertaining to any industry specified in the first schedule to the Industries (Development and Regulation) Act, 1951. The MSMED Act provides for the memorandum of micro, small and medium enterprises to be submitted by the relevant enterprises to the prescribed authority. While it is compulsory for medium enterprises engaged in manufacturing to submit the memorandum, the submission of the memorandum by micro and small enterprises engaged in manufacturing is optional. The MSMED Act defines a supplier to mean a micro or small enterprise that has filed a memorandum with the concerned authorities. The MSMED Act ensures that the buyer of goods makes payment for the goods supplied to him immediately or before the date agreed upon between the buyer and supplier. The MSMED Act provides that the agreed period cannot exceed forty five days from the day of acceptance of goods. The MSMED Act also stipulates that in case the buyer fails to make payment to the supplier within the agreed period, then the buyer will be liable to pay compound interest at three times of the bank rate notified by the Reserve Bank of India from the date immediately following the date agreed upon. The MSMED Act also provides for the establishment of the Micro and Small Enterprises Facilitation Council (‘Council’). The Council has jurisdiction to act as an arbitrator or conciliator in a dispute between the supplier located within its jurisdiction and a buyer located anywhere in India.

The Indian Contract Act, 1872 (“Contract Act”)

The Contract Act codifies the way in which a contract may be entered into, executed, implementation of the provisions of a contract and effects of breach of a contract. A person is free to contract on any terms he chooses. The

Contract Act consists of limiting factors subject to which contract may be entered into, executed and the breach enforced. It provides a framework of rules and regulations that govern formation and performance of contract. The contracting parties themselves decide the rights and duties of parties and terms of agreement.

The Consumer Protection Act, 1986

The Consumer Protection Act, 1986 aims at providing better protection to the interests of consumers and for that purpose makes provisions for the establishment of authorities for the settlement of consumer disputes. The COPRA provides a mechanism for the consumer to file a complaint against a trader or service provider in cases of unfair trade practices, restrictive trade practices, defects in goods, deficiency in services; price charged being unlawful and goods being hazardous to life and safety when used. The COPRA provides for a three tier consumer grievance redressal mechanism at the national, state and district levels. Non compliance of the orders of these authorities attracts criminal penalties.

The Legal Metrology Act, 2009

Legal Metrology Act, 2009 was enacted with the objectives to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters connected therewith or incidental thereto. This act replaced the Standards of Weights and Measures Act, 1976 and the Standards of Weights and Measures (Enforcement) Act, with effect from March 1, 2011.

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“SHWW Act”)

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

Tax Related Legislations

Central Sales Tax Act, 1956

The CST Act formulates principles for determining (a) when a sale or purchase takes place in the course of interstate trade or commerce; (b) when a sale or purchase takes place outside a State and (c) when a sale or purchase takes place in the course of imports into or export from India. This Act provides for levy, collection and distribution of taxes on sales of goods in the course of inter-state trade or commerce and also declares certain goods to be of special importance in inter-State trade or commerce and specifies the restrictions and conditions to which State laws imposing taxes on sale or purchase of such goods of special importance (called as declared goods) shall be subject. Central Sales tax is levied on inter State sale of goods. Sale is considered to be inter-state when (a) sale occasions movement of goods from one State to another or (b) is effected by transfer of documents during their movement from one State to another. A sale or purchase of goods shall be deemed to take place in the course of inter-state trade or commerce if the sale or purchase is affected by a transfer of documents of title to the goods during their movement from one state to another. When the goods are handed over to the carrier, he hands over a receipt to the seller. The seller sends the receipt to buyer. The buyer gets delivery of goods on submission of the receipt to the carrier at other end. The receipt of carrier is ‘document of title of goods’. Such document is usually called Lorry Receipt (LR) in case of transport by Road or Air Way Bill (AWB) in case of transport by air. Though it is called Central Sales Tax Act, the tax collected under the Act in each State is kept by that State only. Central Sales Tax is payable in the State from which movement of goods commences (that is, from which goods are sold). The tax collected is retained by the State in which it is collected. The Central Sales Tax Act is administered by sales tax authorities of each State. The liability to pay tax is on the dealer, who may or may not collect it from the buyer.

Income-Tax Act, 1961

The IT Act is applicable to every company, whether domestic or foreign whose income is taxable under the provisions of this Act or Rules made there under depending upon its “Residential Status” and “Type of Income” involved. The IT Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every company assessable to income tax under the IT Act is required to comply with the provisions thereof, including those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and the like.

Service Tax Law

Chapter V of the Finance Act, 1994 as amended, provides for the levy of a service tax in respect of ‘taxable services’, defined therein. The service provider of taxable services is required to collect service tax from the recipient of such services and pay such tax to the Government. Every person who is liable to pay this service tax must register himself with the appropriate authorities. According to Rule 6 of the Service Tax Rules, every assessee is required to pay service tax in TR 6 challan by the 6th of the month immediately following the month to which it relates. Further, under Rule 7 (1) of Service Tax Rules, the company is required to file a quarterly return in Form ST

3 by the 25th of the month immediately following the half year to which the return relates. Every assessee is required to file the quarterly return electronically.

The Central Excise Act, 1944

Excise duty imposes a liability on a manufacturer to pay excise duty on production or manufacture of goods in India. The Central Excise Act, 1944 is the principal legislation in this respect, which provides for the levy and collection of excise and also prescribes procedures for clearances from factory once the goods have been manufactured etc. Additionally, the Central Excise Tariff Act, 1985 prescribes the rates of excise duties for various goods.

Gujarat Value Added Tax Act, 2003

VAT is the most progressive way of taxing consumption rather than business. Gujarat Value Added Tax Act, 2003 has come into effect from 25th January 2005. VAT is a multi-stage tax on goods that is levied across various stages of production and supply with credit given for tax paid at each stage of Value addition. VAT is a system of multipoint levy on each of the entities in the supply chain with the facility of set-off input tax whereby tax is paid at the stage of purchase of goods by a trader and on purchase of raw materials by a manufacturer. Only the value addition in the hands of each of the entities is subject to tax. VAT is based on the value addition of goods, and the related VAT liability of the dealer is calculated by deducting input tax credit for tax collected on the sales during a particular period. VAT is essentially a consumption tax applicable to all commercial activities involving the production and distribution of goods, and each State that has introduced VAT has its own VAT Act, under which, persons liable to pay VAT must register themselves and obtain a registration number.

The Customs Act, 1962

The provisions of the Customs Act, 1962 and rules made there under are applicable at the time of import of goods i.e. bringing into India from a place outside India or at the time of export of goods i.e. taken out of India to a place outside India. Any Company requiring to import or export any goods is first required to get itself registered and obtain an IEC (Importer Exporter Code).

Laws relating to Employment and labour

The Industries (Development and Regulation) Act, 1951

The IDRA has been liberalized under the New Industrial Policy dated July 24, 1991, and all industrial undertakings are exempt from licensing except for certain industries such as distillation and brewing of alcoholic drinks, cigars and cigarettes of tobacco and manufactured tobacco substitutes, all types of electronic aerospace and defence equipment, industrial explosives including detonating fuses, safety fuses, gun powder,

nitrocellulose and matches and hazardous chemicals and those reserved for the small scale sector. An industrial undertaking which is exempt from licensing is required to file an Industrial Entrepreneurs Memorandum ("IEM") with the Secretariat for Industrial Assistance, Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and no further approvals are required.

The Industrial Disputes Act, 1947

The ID Act 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 labor 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 labor courts and tribunals may grant appropriate relief including ordering modification of contracts of employment or reinstatement of workmen.

The Industrial Employment Standing Orders Act, 1946

Every establishment employing more than 100 employees is required to formulate rules and regulations for its employees and the same should be submitted for approval to the Deputy Labor Commissioner.

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 there under, the occupier and manager of the factory may be punished with imprisonment or with a fine or with both.

The Employees' Provident Fund and Miscellaneous Provisions Act, 1952

The EPF Act applies to factories employing over 20 employees and such other establishments and industrial undertakings as notified by the Government of India from time to time. It requires all such establishments to be registered with the State provident fund commissioner and requires such employers and their employees to contribute in equal proportion to the employees' provident fund the prescribed percentage of basic wages and dearness and other allowances payable to employees. The EPF Act also requires the employer to maintain registers and submit a monthly return to the State provident fund commissioner.

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 Minimum Wages Act, 1948, (Gujarat Amendment Act 22 of 1961)

The MWA provides a framework for State governments to stipulate the minimum wage applicable to a particular industry. The Gujarat Amendment Act came into force from 18 May 1961. The minimum wage may

consist of a basic rate of wages and a special allowance; or a basic rate of wages and the cash value of the concessions in respect of supplies of essential commodities; or an all inclusive rate allowing for the basic rate, the cost of living allowance and the cash value of the concessions, if any. Workmen are to be paid for overtime at overtime rates stipulated by the appropriate government. Contravention of the provisions of this legislation may result in imprisonment for a term up to six months or a fine up to Rs.500 or both.

The Payment of Bonus Act, 1965

The 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 Employee's Compensation Act, 1923

The Employees' Compensation Act, 1923, as amended from time to time ('Compensation Act') aims to provide employees and their dependents, compensatory payment, in case of accidents arising out of and in course of employment and causing either death or disablement of employees. It applies to factories, mines, docks, construction establishments, plantations, oilfields and other establishments listed in Schedule II and III of the Compensation Act but exclude any establishment covered by the Employees' State Insurance Act. Every employee including those employed through a contractor except casual employees, who are engaged for the purposes of employer's business and who suffers an injury in any accident arising out of and in the course of his employment is entitled to compensation under the Compensation Act.

The Gujarat Workmen's Compensation Rules, 1967 ('Rules') are applicable to the company. The Rules provide revisions governing deposit of compensation, medical examinations of workers along with notice, statements and reports on accidents among other procedures.

Maternity Benefit Act, 1961

Maternity Benefit Act, 1961, as amended from time to time ('Maternity Benefit Act'), is aimed at regulating the employment of women in certain establishments for certain periods before and after child birth and for providing for maternity benefit and certain other benefits. It applies to every establishment being a factory, mine or plantation including any such establishment belonging to government and to every establishment wherein persons are employed for the exhibition of equestrian, acrobatic and other performances. It also applies to every shop or establishment wherein ten or more persons are employed or were employed on any day of the preceding twelve months. According to the Maternity Benefit Act, every woman is entitled to, and her employer is liable for, the payment of maternity benefit at the rate of the average daily wage for the period of her actual absence, including the period immediately preceding the day of her delivery, the actual day of her delivery and any period immediately following that day.

The contract labour (Regulation and Abolition) Act, 1970

The contract labour (Regulation and Abolition) Act, 1970, as amended from time to time ("CLRA") requires establishments that employ or have employed on any day in the preceding twelve months, twenty or more workers as contract labour to be registered. The CLRA places an obligation on the principal employer of an establishment to which the CLRA applies to make an application for registration of the establishment. In the absence of registration, contract labour cannot be employed in the establishment. Likewise, every contractor to whom the CLRA applies is required to obtain license and not to undertake or execute any work through contract labour except under and in accordance with license issued. To ensure the welfare and health of contract labour, the CLRA imposes certain obligations on the contractor including the establishment of canteens, restrooms, washing facilities, first aid facilities, and provision of drinking water and payment of wages. In the event that contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within a prescribed time.

Equal Remuneration Act, 1976

The Equal Remuneration Act, 1976 as amended from time to time ('Remuneration Act') aims to provide for the payment of equal remuneration to men and women workers and for the prevention of discrimination, on the ground of sex, against women in the matter of employment and for matters connected therewith or incidental

thereto. According to the Remuneration Act, no employer shall pay to any worker, employed by him/ her in an establishment, a remuneration (whether payable in cash or in kind) at rates less favorable than those at which remuneration is paid by him to the workers of the opposite sex in such establishment for performing the same work or work of a similar nature. In addition, no employer shall for complying with the foregoing provisions of the Remuneration Act, reduce the rate of remuneration of any worker. No employer shall, while making recruitment for the same work or work of a similar nature, or in any condition of service subsequent to recruitment such as promotions, training or transfer, make any discrimination against women except where the employment of women in such work is prohibited or restricted by or under any law for the time being in force.

The Child Labour (Prohibition & Regulation) Act, 1986

The Child Labour (Prohibition & Regulation) Act, 1986, as amended from time to time ('Child Labour Act') was enacted to prohibit the engagement of children below the age of fourteen years in certain specified occupations and processes and to regulate their conditions of work in certain other employments. No child shall be required or permitted to work in any establishment in excess of such number of hours, as may be prescribed for such establishment or class of establishments. Every child employed in an establishment shall be allowed in each week, a

holiday of one whole day, which day shall be specified by the occupier in a notice permanently exhibited in a conspicuous place in the establishment and the occupier shall not alter the day so specified more than once in three months.

Laws relating to Specific State where establishment is situated

Shops and Establishments Act

The Establishments are required to be registered under the provisions of local shops and establishments legislation applicable in the relevant states. The objective of the act, irrespective of the state, is to regulate the working and employment conditions of worker employed in shops and establishments including commercial establishments. The act provides for fixation of working hours, rest interval, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees. The Gujarat Shops and Establishments Act, 1948 govern the Company's shops and establishment in Gujarat.

The Gujarat State Tax on Professions, Trade, Callings and Employments Act, 1976

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The professional tax is charged as per the List II of the Constitution. The professional tax is classified under various tax slabs in India. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner. The Gujarat State Tax on Professions, Traders, Callings and Employments Rules, 1976 have also been notified by the Government.

Approvals from Local Authorities

Setting up of a factory or manufacturing / housing unit entails the requisite planning approvals to be obtained from the relevant Local Panchayat(s) outside the city limits and appropriate Metropolitan Development Authority within the city limits. Consents are also required from the state pollution control board(s), the relevant state electricity board(s), the state excise authorities, sales tax, among others, are required to be obtained before commencing the building of a factory or the start of manufacturing operations.

Laws relating to Intellectual Property

The Trademarks Act, 1999 ("TM Act")

The Trade Marks Act, 1999, as amended from time to time ('Trademarks Act'), governs the statutory protection of trademarks in India. Indian trademarks law permits the registration of trademarks for goods and services.

Certification trademarks and collective marks are also registrable under the Trademarks Act. Applications for a trademark registration may be made for in one or more international classes. Once granted, trademark registration is valid for ten years unless cancelled. If not renewed after 10 years, the mark lapses and the registration for such mark must be obtained afresh. Registered trademarks may be protected by means of an action for infringement. The owner of a registered trademark is prima facie regarded as the owner of the mark by virtue of the registration obtained.

The Patents Act, 1970 (Patent Act)

The purpose of the Patent Act in India is to protect inventions. Patents provide the exclusive rights for the owner of a patent to make, use, exercise, distribute and sell a patented invention. The patent registration confers on the patentee the exclusive right to use, manufacture and sell his invention for the term of the patent. An application for a

patent can be made by (a) person claiming to be the true and first inventor of the invention; (b) person being the assignee of the person claiming to be the true and first inventor in respect of the right to make such an application; and (c) legal representative of any deceased person who immediately before his death was entitled to make such an application. Penalty for the contravention of the provisions of the Patents Act include imposition of fines or imprisonment or both.

The Designs Act, 2000 (Designs Act)

The objective of Designs Act is to promote and protect the design element of industrial production. It is also intended to promote innovative activity in the field of industries. The Controller General of Patents, Designs and Trade Marks appointed under the Trademarks Act shall be the Controller of Designs for the purposes of the Designs Act. When a design is registered, the proprietor of the design has copyright in the design during ten years from the date of registration.

Environmental Laws

The Environment (Protection) Act, 1986

The EPA is umbrella legislation in respect of the various environmental protection laws in India. The EPA vests the

Government of India with the power to take any measure it deems necessary or expedient for protecting and improving the quality of the environment and preventing and controlling environmental pollution. This includes rules for, inter-alia, laying down the quality of environment, standards for emission of discharge of environment pollutants from various sources as given under the Environment (Protection) Rules, 1986, inspection of any premises, plant, equipment, machinery, examination of manufacturing processes and materials likely to cause pollution. Penalties for violation of the EPA include fines up to `100,000 or imprisonment of up to five years, or both. The imprisonment can extend up to seven years if the violation of the EPA continues.

The Water (Prevention and Control of Pollution) Act, 1974 (Water Act)

The Water Act aims to prevent and control water pollution as well as restore water quality by establishing and empowering the Central Pollution Control Board and the State Pollution Control Boards. Under the Water Act, any person establishing any industry, operation or process, any treatment or disposal system, use of any new or altered outlet for the discharge of sewage or new discharge of sewage, must obtain the consent of the relevant State Pollution Control Board, which is empowered to establish standards and conditions that are required to be complied with. In certain cases the State Pollution Control Board may cause the local Magistrates to restrain the activities of such person who is likely to cause pollution. Penalty for the contravention of the provisions of the Water Act include imposition of fines or imprisonment or both.

The Air (Prevention and Control of Pollution) Act, 1981, as amended (the "Air Act")

Pursuant to the provisions of the Air (Prevention and Control of Pollution) Act, 1981, any person, establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant State Pollution Control Board prior to establishing or operating such industrial plant. The State Pollution Control Board is required to grant consent within a period of four months of receipt of an application, but may impose conditions relating to pollution control equipment to be installed at the facilities. No person operating any industrial plant in any air pollution control area is permitted to discharge the emission of any air pollutant in

excess of the standards laid down by the State Pollution Control Board. If an area is declared by the State Government to be an air pollution control area, then, no industrial plant may be operated in that area without the prior consent of the State Pollution Control Board. Air (Prevention and Control of Pollution) Rules, 1982 deal with the procedural aspects of the Air Act.

The Noise Pollution (Regulation & Control) Rules, 2000 (“Noise Regulation Rules”)

The Noise Regulation Rules regulate noise levels in industrial (75 decibels), commercial (65 decibels) and residential zones (55 decibels). The Noise Regulation Rules also establish zones of silence of not less than 100 meters near schools, courts, hospitals, etc. The Rules also assign regulatory authority for these standards to the local district courts. Penalty for non-compliance with the Noise Regulation Rules shall be under the provisions of the Environment (Protection) Act, 1986.

Property related laws

The Company is required to comply with central and state laws in respect of property. Central Laws that may be applicable to our Company's operations include the Land Acquisition Act, 1894, the Transfer of Property Act, 1882, Registration Act, 1908, Indian Stamp Act, 1899, and Indian Easements Act, 1882. In addition, regulations relating to classification of land may be applicable. Usually, land is broadly classified under one or more categories such as residential, commercial or agricultural. Land classified under a specified category is permitted to be used only for such specified purpose. Where the land is originally classified as agricultural land, in order to use the land for any other purpose the classification of the land is required to be converted into commercial or industrial purpose, by making an application to the relevant municipal or town and country planning authorities. In addition, some State Governments have imposed various restrictions, which vary from state to state, on the transfer of property within such states. Land use planning and its regulation including the formulation of regulations for building construction, form a vital part of the urban planning process. Various enactments, rules and regulations have been made by the Central Government, concerned State Governments and other authorized agencies and bodies such as the Ministry of Urban Development, State land development and/or planning boards, local municipal or village authorities, which deal with the acquisition, ownership, possession, development, zoning, planning of land and real estate. Each state and city has its own set of laws, which govern planned development and rules for construction (such as floor area ratio or floor space index limits). The various authorities that govern building activities in states are the town and country planning department, municipal corporations and the urban arts commission.

The Indian Registration Act, 1908

The Indian Registration Act, 1908 (the “Registration Act”) details the formalities for registering an instrument. Section 17 of the Registration Act identifies documents for which registration is compulsory and includes, inter alia, any non-testamentary instrument which purports or operates to create, declare, assign, limit or extinguish, whether in the present or in future, any right, title or interest, whether vested or contingent, in immovable property of the value of Rs.100 or more, and a lease of immovable property for any term exceeding one year or reserving a yearly rent. The Registration Act also stipulates the time for registration, the place for registration and the persons who may present documents for registration. Any document which is required to be compulsorily registered but is not registered will not affect the subject property, nor be received as evidence of any transaction affecting such property (except as evidence of a contract in a suit for specific performance or as evidence of part performance of a contract under the TP Act or as evidence of any collateral transaction not required to be effected by registered instrument), unless it has been registered.

Gujarat Stamp Act, 1958 (the “Stamp Act”)

Stamp duty is payable on all instruments/ documents evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. The Stamp Act provides for the imposition of stamp duty at the specified rates on instruments listed in Schedule I of the Stamp Act. However, under the Constitution of India, the states are also empowered to prescribe or alter the stamp duty payable on such documents executed within the state. Instruments chargeable to duty under the Stamp Act but which have not been duly stamped, are incapable of being admitted in court as evidence of the transaction contained therein. The Stamp Act also provides for impounding of instruments by certain specified authorities and bodies and imposition of penalties, for instruments which are not sufficiently stamped or not stamped at all.

The Indian Easements Act, 1882 (“IE Act”)

The law relating to easements and licenses in property is governed by the Easements Act, 1882 (“IE Act”). The right of easement has been defined under the Easements Act to mean a right which the owner or occupier of any land possesses over the land of another for beneficial enjoyment of his land. Such right may allow the owner of the land to do and continue to do something or to prevent and continue to prevent something being done, in or upon any parcel of land which is not his own. Easementary rights may be acquired or created by (a) an express grant; or (b) a grant or reservation implied from a certain transfer of property; or (c) by prescription, on account of long use, for a period of twenty years without interruption; or (d) local customs.

The Negotiable Instruments Act, 1881 (“NI Act”)

In India, the laws governing monetary instruments such as cheques are contained in the Negotiable Instruments Act, 1881, which is largely a codification of the English Law on the subject. To ensure prompt remedy against defaulters

and to ensure credibility of the holders of the negotiable instrument a criminal remedy of penalty was inserted in negotiable Instruments Act, 1881 in form of the Banking, Public Financial Institutions and Negotiable Instruments Laws (Amendment), 1988 which were further modified by the Negotiable Instruments (Amendment and Miscellaneous Provisions) Act, 2002. 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 dishonor 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, and with fine which may extend to twice the amount of the cheque, or with both.

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

The law relating to the sale of goods is codified in the Sale of Goods Act, 1930. It defines sale and agreement to sell

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



History and Certain Corporate Matters

Our Company was originally incorporated on September 07, 2001, as Riddhi Steel and Tube Private Limited under the provisions of the Companies Act, 1956 with the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Our Company was converted into a public limited company and accordingly the name of our Company was changed to Riddhi Steel and Tube Limited pursuant to a special resolution passed by our Shareholders at the EGM held on January 08, 2016. A fresh certificate of incorporation consequent upon conversion to public limited company was issued on February 01, 2016 by Registrar of Companies, Ahmedabad, Gujarat.

Our Corporate Identification Number is U27106GJ2001PLC039978.

The promoters of our Company are Mr. Rajesh Kumar R. Mittal, Ms. Preeti R. Mittal, Mr. Rajat R. Mittal and Ms. Riddhi R. Mittal. Our Company is engaged in manufacturing of steel tubes including square and rectangular hollow sections (SHS and RHS) in a various size and thickness. It is currently operating in Ahmedabad, Gujarat.

Changes in our Registered Office:

Our Company's Registered Office is currently situated at 83/84, Village Piplaj, Pirana Road, Aslali, Ahmedabad - 382 427.

Details of changes in the address of the Registered Office of our Company are set forth as under:

Date of Change	From	To
01/07/2009	Mittal House, B/H Goyal Tower, Atira Road, Ahmedabad-380015, Gujarat, India	83/84, Village Piplaj, Pirana Road, Aslali, Ahmedabad - 382 427, Gujarat, India

Main Objects of our Company

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

1. To carry on the business to promote, run, establish, install or set up mini steel plants, integrated steel plant, composite steel plants, hot rolling steel mills, cold rolling mills, blooms and billet mills, steel furnace, concocts, rolling mills, induction furnaces for manufacturing, converting, extracting, treating or processing of all type, grades and sizes of steels, nitriding steels, ball bearing steels, corrosion resistant steel, heat resistant steels, free cutting steels, spring steels, silico manganese steel, structural steel, ship building quality steels, armour steels present or future compounds and alloys thereof and to act as agent, stockiest, trader, buyer, seller, importer, exporter and job worker and to manufacture, sale, resale, assemble, fabricate, erect, purchase, process, design, devlop, distribute, repair, service,renovate,import,export,let on hire and otherwise deal in all sort of machinery, plant, equipments, tools and implants required for agriculture, marine, automotive industry in particular and for industrial, commercial, agricultural related industries and deal in its spare parts, components, implements, articles, auxiliaries and accessories, foundries of iron ,steel ,brass and other metals.

Changes in the Memorandum of Association

The following changes have been made in the Memorandum of Association of our Company since inception

Date	Particulars
June 03, 2002	Authorised Share Capital of the Company increased from Rs. 5.00 Lacs divided into 50,000 Equity Shares of Rs. 10/- each to Rs. 300.00 Lacs divided into 30,00,000 Equity Shares of Rs. 10/- each
January 05, 2011	Authorised Share Capital of the Company increased from Rs. 300.00 Lacs divided into 30,00,000 Equity Shares of Rs. 10/- each to Rs. 700.00 Lacs divided into 70,00,000 Equity Shares of Rs. 10/- each.
January 08, 2016	Conversion of Company from Private Limited Company to Public Limited Company and Consequently the name of Company changed to "Riddhi Steel and Tube Limited"
February 16, 2016	Authorised Share Capital of the Company increased from Rs. 700.00 Lacs divided into 70,00,000 Equity Shares of Rs. 10/- each to Rs. 8,50.00 Lacs divided into 85,00,000 Equity Shares of Rs. 10/- each.



Major Events and Milestones

The table below sets forth the key events in the history of our Company:

Year	Particulars
2001	Our Company was originally incorporated as “Riddhi Steel And Tube Private Limited” and also started its operations with one Tube Mill
2016	Our Company’s status changed from Private to Public, and subsequently the name changed to “Riddhi Steel And Tube Limited

Awards and Accreditations

We have not received any awards and accreditations

Revaluation of Assets

Our Company has not revalued its assets since its incorporation.

Holding Company of our Company

Our Company has no holding company as on the date of filing of the Draft Prospectus.

Subsidiary of our Company

There is no subsidiary of our Company as on the date of filing of the Draft Prospectus.

Injunctions or Restraining Orders

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

Details regarding Acquisition of Business/Undertakings, Mergers, Amalgamation etc.

There are no mergers, amalgamation, etc. with respect to our Company and we have not acquired any business/undertakings till date.

Changes in the Activities of our Company during the Last Five Years

There has been no change in the business activities of our Company during the last five years from the date of this Draft Prospectus.

Capital raising activities through Equity or Debt

For details of the equity capital raising of our Company, please refer to the chapter titled “**Capital Structure**” beginning on pages 38 of this Draft Prospectus. We have not done any debt issuances or raised any long term debt since incorporation till date.

Shareholders Agreements

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

Strikes and Lock-Outs

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

Other Agreements

Our Company has not entered into any specific or special agreements except that have been entered into in ordinary course of business as on the date of filing of the Draft Prospectus.

Collaboration



Our Company has not entered into any collaboration with any third party as per regulation (VIII) B (1) (c) of part A Schedule VIII of SEBI (ICDR) Regulations, 2009.

Strategic Partner

Our Company does not have any strategic partner as on the date of filing of the Draft Prospectus.

Financial Partner

Our Company does not have any financial partner as on the date of filing of the Draft Prospectus.

Defaults or Rescheduling of Borrowings with Financial Institutions or Banks

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

Number of Shareholders

Our Company has Seven (7) shareholders on date of the Draft Prospectus.

Our Management

Board of Directors

Under our Articles of Association, our Company is required to have not less than three (3) Directors and not more than fifteen (15) Directors. Our Company currently has Five (5) Directors on Board. The following table sets forth current details regarding our Board of Directors:

Name, Father's name, Address, Occupation, Nationality, tenure & DIN	Age	Other Directorships/Designated Partners
<p>Mr. Rajesh Kumar R. Mittal</p> <p>S/o: Mr. Ramkumar Mittal</p> <p>Designation: Managing Director</p> <p>Term: Appointed as Managing Director for a fixed period of 5 years w.e.f. January 08, 2016</p> <p>Address: 1/A-1,Dhananjay Bunglow, Satellite, Ahmedabad- 380015, Gujarat India</p> <p>Occupation: Business</p> <p>PAN:AEZPM6235J</p> <p>Nationality: Indian</p> <p>DIN:00878934</p>	49 Years	<ul style="list-style-type: none"> • Riddhi Procon Private Limited
<p>Ms. Preeti R. Mittal</p> <p>D/o: Mr. Ramesh Chandra Gupta</p> <p>Designation: Executive Director</p> <p>Term: Retire by Rotation</p> <p>Address: 1/A-1,Dhananjay Bunglow, Satellite, Ahmedabad- 380015, Gujarat, India</p> <p>Occupation: Business</p> <p>PAN:ACFPM3358Q</p> <p>Nationality: Indian</p> <p>DIN: 01594555</p>	43 Years	<ul style="list-style-type: none"> • Riddhi Procon Private Limited • Riddhi Spinners Private Limited
<p>Mr. Shankar Prasad Bhagat</p> <p>S/o: Mr. Ramdeo Bhagat</p> <p>Designation: Independent Director</p> <p>Term: Appointed for a fixed period of 5 years w.e.f. March 19, 2016</p> <p>Address:B-9 Goyal Plaza, Judges Bunglow Road, Vastrapur, Ahmedabad-380015,Gujarat, India</p> <p>Occupation: Professional</p>	64 Years	<ul style="list-style-type: none"> • Rushil Decor Limited • Minal Industries Limited • Amrapali Capital And Finance Services Limited • Oasis Tradelinks Limited • Satya Miners & Transporters Limited • Darshan Orna Limited

<p>PAN: ACWPB7495G</p> <p>Nationality: Indian</p> <p>DIN: 01359807</p>		
<p>Dr. Paras K. Shah S/o: Mr. Kumarpal Keshavlal Shah</p> <p>Designation: Independent Director</p> <p>Term: Appointed for a fixed term of 5 years w.e.f. February 16, 2016</p> <p>Address: 23, Jain Society, EllisBridge, Ahmedabad-380003, Gujarat, India.</p> <p>Occupation: Professional</p> <p>PAN: AHEPS2678D</p> <p>Nationality: Indian</p> <p>DIN: 07438621</p>	47 Years	Nil
<p>Mr. Saurin S. Shah S/o: Mr. Shailesh Shah</p> <p>Designation: Independent Director</p> <p>Term: Appointed for a fixed term of 5 years w.e.f. February 16, 2016</p> <p>Address: 2, Sundarvan Housing Society, Usmanpura, Ahmedabad-380013, Gujarat, India</p> <p>Occupation: Service</p> <p>PAN: AGDPS4511R</p> <p>Nationality: Indian</p> <p>DIN: 07438637</p>	40 Years	Nil

Note:

As on the date of the Draft Prospectus:

1. None of the above mentioned Directors are on the RBI List of willful defaulters as on date.
2. Further, none of our Directors are or were directors of any company whose shares were (a) suspended from trading by stock exchange(s) for more than 3 months during the five years prior to the date of filing the Draft Prospectus or (b) delisted from the stock exchanges.
3. None of the Promoters, Persons forming part of our Promoter Group, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.



Details of Directors

Mr. Rajesh Kumar R. Mittal aged 49 years, is Managing Director and Promoter of our Company. He is a commerce graduate. He is an energetic and enthusiastic entrepreneur and is having experience more than 20 years of experience in the business and industry. He is responsible for the overall growth and development of our Company and for taking all key decisions in consultation with the Board. He has been on the board of our Company since March 22, 2013.

Ms. Preeti R. Mittal, aged 43 years is the Executive Director and Promoter of our Company. She has completed first year Bachelor of Arts from Kurukshetra University. She is associated with our Company since last 12 years. She has experience in the business and industry. She has been on the board of our Company since January 09, 2016.

Mr. Shankar Prasad Bhagat, aged 64 years is the Independent Director of our Company. He is a Commerce graduate and a qualified Chartered Accountant. He has more than 30 years of experience in statutory audit, internal audit, revenue audit, stock audit, concurrent audit, taxation and other areas of finance. He has been on the board of our Company since March 19, 2016.

Mr. Saurin S. Shah, aged 40 years is the Independent Director of our Company. He has completed his second year B.Com.. He has been on the board of our Company since February 16, 2016.

Dr. Paras K. Shah, aged 47 years, is the Independent Director of our Company. He has completed his MBBS from JJM Medical College (Mysore University), Davangere. He has been on the board of our Company since February 16, 2016.

Confirmations

There are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors or Key Management Personnel were selected as a Director or member of the senior management.

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

None of the Directors is or was a director of any listed company during the last five years preceding the date of filing of the Draft Prospectus, whose shares have been or were suspended from being traded on the BSE or the NSE, during the term of their directorship in any such Company.

None of the Directors is or was a director of any listed company which has been or was delisted from any recognized stock exchange in India during the term of their directorship in such Company.

Nature of Family Relationship among Directors

None of the Directors are related to each other except that Ms. Preeti R. Mittal is spouse of Mr. Rajesh kumar R. Mittal.

Borrowing Powers of the Directors

In accordance with the Articles of Association and pursuant to the EGM of our Company held on February 16, 2016, the Board is authorised to borrow money, or raise such or sums of money from time to time, provided that the total amount of money or monies so borrowed by our Company shall not, at any time, exceed the Rs. 500.00 crores.

Terms of Appointment and Compensation of our Directors

Name	Rajesh Kumar R. Mittal
Designation	Managing Director
Period	Appointed for a period of five years w.e.f. January 8, 2016
Remuneration	Rs. 6.00 lac per annum
Remuneration paid upto December 2015	Rs. 4.88 Lacs*



*Salary drawn in capacity of Executive Director

Name	Preeti R. Mittal
Designation	Executive Director
Period	Appointed as Executive Director w.e.f. January 9, 2016
Remuneration	Rs. 5.40 lac per annum
Remuneration paid upto December 2015	NII

There is no definitive and /or service agreement that has been entered into between our Company and the directors in relation to their appointment.

Non-Executive Directors

None of our Directors including Non-Executive Directors of our Company are entitled to a sitting fee for the meeting of the Board and Committees attended.

We also confirm that no remuneration is paid to any Independent Directors of our company.

Shareholding of Directors in our Company

Other than the following, none of our Directors holds any Equity Shares as of the date of filing this Draft Prospectus:

Name of Director	Number of Equity Shares held	Percentage of pre-Issue capital
Rajesh Kumar R. Mittal	4,29,350	7.22
Preeti R. Mittal	29,57,004	49.70

Our Directors do not hold any outstanding vested options, pursuant to the employee stock option scheme implemented by our Company.

Our Articles of Association do not require our Directors to hold any qualification shares.

Interest of Directors

Our Executive Director may be deemed to be interested to the extent of remuneration paid to them for services rendered as a Director of our Company and reimbursement of expenses, if any, payable to them. For details of remuneration paid to our see “Terms of Appointment and Compensation of our Directors” above.

Our Directors may also be regarded as interested to the extent of Equity Shares held by them in our Company, if any, details of which have been disclosed above under the heading “Shareholding of Directors in our Company”. All of our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the Equity Shares.

Our Directors may also be interested to the extent of Equity Shares, if any, held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or held by their relatives or that may be subscribed by or allotted to the Companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to this Issue.

Except as stated in the chapter titled “Related Party Transactions” on page112 of this Draft Prospectus, our Directors do not have any other interest in the business of our Company.

Bonus or Profit Sharing Plan for our Directors

None of our Directors are a party to any bonus or profit sharing plan.

Committees of our Board



Our Board has constituted following committees in accordance with the requirements of the Companies Act and SEBI Listing Regulations:

- a) Audit Committee;
- b) Nomination and Remuneration Committee;
- c) Stakeholders' Relationship Committee;

Details of each of these committees are as follows:

a. Audit Committee;

Our Audit Committee was constituted pursuant to resolution of our Board dated March 26, 2016. The Audit Committee comprises of the following:

S. N.	Name of the Director	Status	Nature of Directorship
1.	Mr. Paras K. Shah	Chairman	Non-Executive &Independent Director
2.	Mr. Shankar Prasad Bhagat	Member	Non-Executive &Independent Director
3.	Mr. Saurin S. Shah	Member	Non-Executive &Independent Director

The Company Secretary shall act as the secretary of the Audit Committee.

The scope, functions and the terms of reference of the Audit Committee is in accordance with the Section 177 of the Companies Act, 2013 and Regulation 18 (3) Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule II Part C.

The role of the audit committee shall include the following:

- (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, with particular reference to:
 - (a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - (b) changes, if any, in accounting policies and practices and reasons for the same;
 - (c) major accounting entries involving estimates based on the exercise of judgment by management;
 - (d) significant adjustments made in the financial statements arising out of audit findings;
 - (e) compliance with listing and other legal requirements relating to financial statements;
 - (f) disclosure of any related party transactions;
 - (g) modified opinion(s) in the draft audit report;
- (5) reviewing, with the management, the quarterly financial statements before submission to the board for approval;

- (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 utilisation 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) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- (16) 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;
- (17) 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;
- (18) to review the functioning of the whistle blower mechanism;
- (19) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- (20) Carrying out any other function as is mentioned in the terms of reference of the audit committee.

The audit committee shall mandatorily review the following information:

- (1) management discussion and analysis of financial condition and results of operations;
- (2) statement of significant related party transactions (as defined by the audit committee), submitted by management;
- (3) management letters / letters of internal control weaknesses issued by the statutory auditors;
- (4) internal audit reports relating to internal control weaknesses; and



- (5) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- (6) statement of deviations: (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1). (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7)

b. Nomination and Remuneration Committee

The Nomination and Remuneration committee was constituted by a resolution of our Board dated March 26, 2016. The constitution of the Nomination and Remuneration committee is as follows:

S. N.	Name of the Director	Status	Nature of Directorship
1.	Mr. Paras K. Shah	Chairman	Non-Executive &Independent Director
2.	Mr. Shankar Prasad Bhagat	Member	Non-Executive &Independent Director
3.	Mr. Saurin S. Shah	Member	Non-Executive &Independent Director

The Company Secretary shall act as the secretary of the Nomination and Remuneration Committee.

The scope, functions and the terms of reference of the Nomination and Remuneration Committee is in accordance with the Section 178 of the Companies Act, 2013 read with Regulation 19 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The terms of reference of Nomination and Remuneration Committee shall include the following:

- (1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- (2) Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- (3) Devising a policy on diversity of board of directors;
- (4) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- (5) 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.

c. Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee was constituted by a resolution of our Board dated March 26, 2016. The constitution of the Stakeholders' Relationship committee is as follows:

S. N.	Name of the Director	Status	Nature of Directorship
1.	Mr. Paras K. Shah	Chairman	Non-Executive &Independent Director
2.	Mr. Shankar Prasad Bhagat	Member	Non-Executive &Independent Director
3.	Mr. Saurin S. Shah	Member	Non-Executive &Independent Director

The Company Secretary shall act as the secretary of the Stakeholders' Relationship Committee.



This Committee is responsible for the redressal the grievances of the security holders including complaints relate to transfer of shares, non-receipt of annual report and non-receipt of dividend. The scope and function of the Stakeholders' Relationship Committee is in accordance with Section 178 of the Companies Act read with Regulation 20 of the Listing Regulations.

Our Company has adopted the following policies:

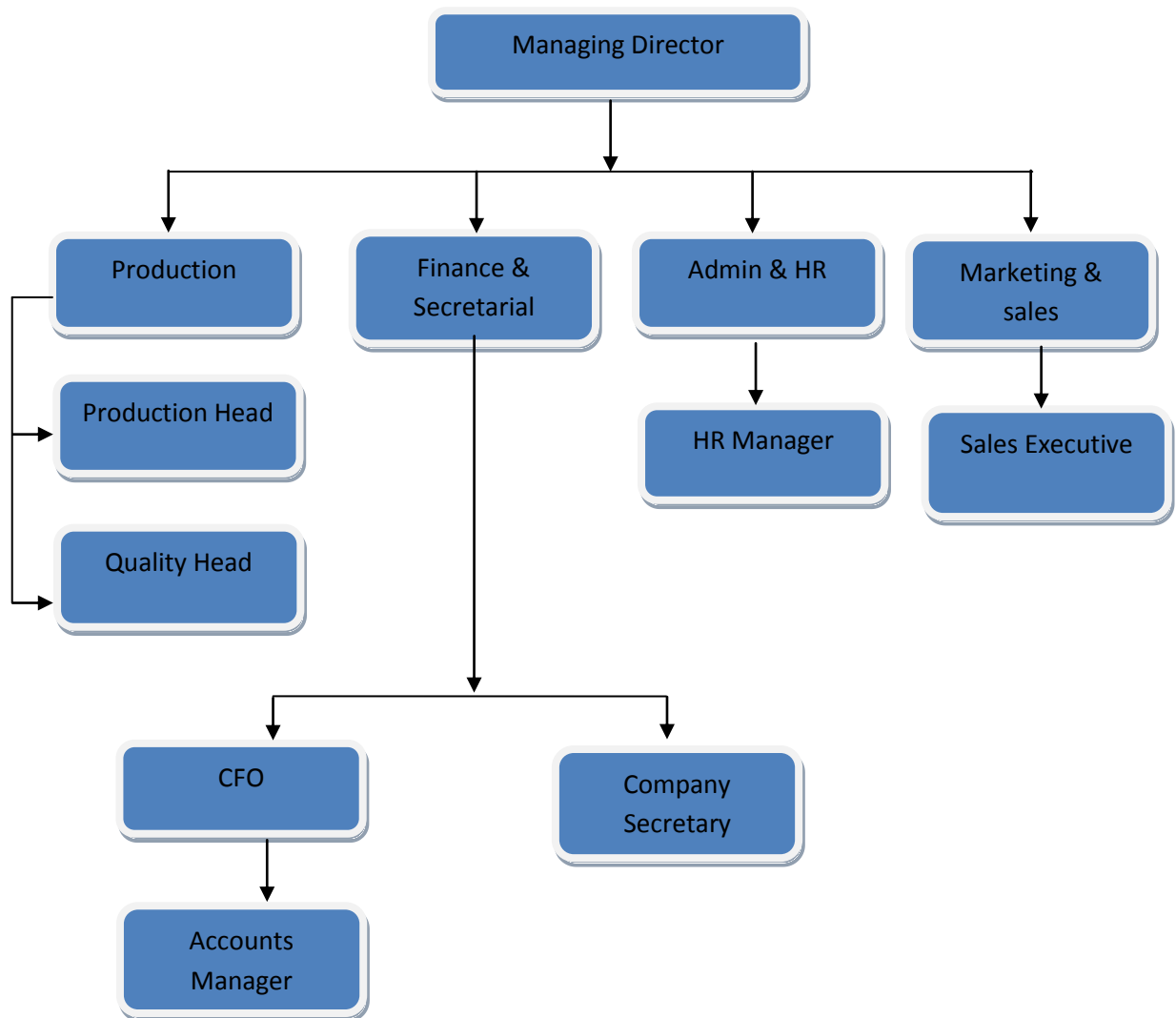
1. Code of Conduct
2. Code of Practices and Procedures for Fair Disclosure Of Unpublished Price Sensitive Information
3. Whistle Blower Policy & Vigil Mechanism
4. Related Party Transactions (RTP) Policy
5. Policy for Preservation of Documents & Archival of Documents
6. Policy for Prevention of Sexual Harassment

Changes in our Board of Directors during the last three (3) years

The changes in the Directors during last three (3) years are as follows:

Year	Name	Date of appointment	Date of cessation	Reason
2015-16	Shivshankar M Agarwal	-	19/03/2016	Resignation due to pre occupation
2015-16	Shankar P Bhagat	19/03/2016	-	Appointment
2015-16	Saurin S. Shan	16/02/2016	-	Appointment
2015-16	Paras K Shah	16/02/2016	-	Appointment
2015-16	Preeti R Mittal	09/01/2016	-	Change in designation from Non-executive Director to Executive Director
2015-16	Rajesh Kumar R. Mittal	08/01/2016	-	Change in designation from Director to Managing Director
2015-16	Preeti R Mittal	08/01/2016	-	Appointment
2015-16	Nareshkumar R Walia	-	14/12/2015	Resignation due to pre occupation
2015-16	Rajat R Mittal	-	21/07/2015	Resignation due to pre occupation
2015-16	Nareshkumar R Walia	01/05/2015	-	Appointment
2015-16	Preeti R Mittal	-	14/04/2015	Resignation due to pre occupation
2013-14	Preeti R Mittal	16/12/2013	-	Appointment
2013-14	Preeti R Mittal	-	27/08/2013	Resignation due to pre occupation

Organisation Structure





Our Key Managerial Personnel

Our Company is managed by its Board of Directors, assisted by qualified professionals, in the respective field of administration / finance / distribution / marketing and corporate laws.

The following key personnel assist the management of our Company:-

Brief Profile of Key Managerial Personnel:

Mr. Rajesh kumar R. Mittal aged 49 years, is Managing Director and Promoter of our Company. He is a commerce graduate. He has joined our Company as Managing Director on January 08, 2016. He is an energetic and enthusiastic entrepreneur and is having experience more than 20 years of experience in the business and industry. He is responsible for the overall growth and development of our Company and for taking all key decisions in consultation with the Board. He is drawing a salary of Rs. 50,000/- per month.

Ms. Preeti R. Mittal, aged 43 years is the Executive Director and Promoter of our Company. She has completed first year Bachelor of Arts from Kurukshetra University. She is associated with our Company since last 12 years. She has experience in the business and industry. She is drawing a salary of Rs. 45,000/- per month.

Mr. Subhash Giri, aged 47 years, is Production Head of our Company. He has completed Bachelors in Engineering from Bihar University, Muzaffarpur. He has more than 14 years of work experience in steel, tubes and pipes industry. He has joined our Company on March 01, 2015 and is leading the Production Department of the company from the front. He is drawing a salary of Rs. 39,000/- per month.

Mr. Neel G. Sukhani, aged 22 years is a Company Secretary and Compliance Officer of our Company. He is a commerce graduate. He is an associate member of Company Secretaries of India. He joined our company in January 09 2016. His scope of work and responsibilities includes vetting of agreements, preparation of minutes, drafting of resolutions, preparation and updating of various statutory registers, and compliance with the provisions of Companies Act and other regulations. He is drawing a salary of Rs. 12,000/- per month.

Family Relationship between Key Managerial Personnel

As on date, none of the key managerial personnel is having family relation with each other except that Ms. Preeti R. Mittal is spouse of Mr. Rajesh Kumar R. Mittal

Arrangements and Understanding with major Shareholders

None of our key managerial personnel have been appointed on our Board pursuant to any arrangement with our major shareholders, customers, suppliers or others.

Shareholding of the Key Managerial Personnel

As on date, none of the key managerial persons are holding Equity Shares of our Company except as set forth below:

S. N.	Name of the KMP	No. of Shares held	Shareholding Percentage
1.	Mr. Rajesh Kumar R. Mittal	4,29,350	7.22
2.	Mrs. Preeti R. Mittal	29,57,004	49.70

Bonus or Profit Sharing Plan for the Key Managerial Personnel

There is no profit sharing plan for the key managerial personnel. Our Company makes bonus payments to the employees based on their performances, which is as per their terms of appointment.

Loans to Key Managerial Personnel

There is no loan outstanding against key managerial personnel as on date of this Draft Prospectus.

Interest of Key Managerial Personnel



The key managerial personnel of our Company do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business and to the extent of Equity Shares held by them in our Company, if any.

Except as disclosed in this Draft Prospectus, none of our key managerial personnel have been paid any consideration of any nature from our Company, other than their remuneration.

Changes in Key Managerial Personnel of our Company during the Last Three (3) Years

Except mentioned below, No changes in the key managerial personnel of the Issuer during the last three (3) years.

Name	Date of appointment	Date of cessation	Reason
Rajesh Kumar R. Mittal	08/01/2016	-	Appointment as Managing Director
Preeti R.Mittal	09/01/2016	-	Appointment as CFO
Neel G. Sukhani	09/01/2016	-	Appointment
Subhash Giri	27/02/2015		Appointment

Employees Stock Option Scheme

Our Company does not have any Employee Stock Option Scheme/ Employee Stock Purchase Scheme as on the date of filing of this Draft Prospectus.

Payment or Benefit to our Officers

Except for the payment of normal remuneration for the services rendered in their capacity as employees of our Company, no other amount or benefit has been paid or given within the two (2) preceding years or intended to be paid or given to any of them.

Employees


The details about our employees appear under the Paragraph titled “Human Resource” beginning on page 77 of the Draft Prospectus.

Our Promoters and Promoter Group

The Promoters of our Company are:

1. Mr. Rajesh Kumar R. Mittal
2. Mrs. Preeti R. Mittal
3. Mr. Rajat R. Mittal
4. Ms. Riddhi R. Mittal

1. Mr. Rajesh Kumar R. Mittal

	<p>Mr. Rajesh kumar R. Mittal aged 49 years, is Managing Director and Promoter of our Company. He is a commerce graduate. He is an energetic and enthusiastic entrepreneur and is having experience more than 20 years of experience in the business and industry. He is responsible for the overall growth and development of our Company and for taking all key decisions in consultation with the Board. He has been on the board of our Company since March 22, 2013. For further information please refer under head title “Our Management” on page 93</p>
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Address	1/A-1,Dhananjay Bunglow, Satellite, Ahmedabad- 380015, Gujarat
Occupation	Business
Permanent Account Number	AEZPM6235J
Passport Number	G1202966
Name of Bank & Bank Account Details	Canara Bank, Ashram Road, Ahmedabad Account No.- 1321101010559
Driving License Number	GJ01 20000808174
Other Directorship & Interests	<ul style="list-style-type: none"> Riddhi Procon Private Limited <p>Other Ventures</p> <ul style="list-style-type: none"> Rajesh Ramkumar Mittal (HUF) (as Karta) Riddhi Charitable Trust


2. Ms. Preeti R. Mittal

	<p>Ms. Preeti R. Mittal, aged 43 years is the Executive Director and Promoter of our Company. She has completed first year Bachelor of Arts from Kurukshetra University. She is associated with our Company since last 12 years. She has experience in the business and industry.</p>
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Address	1/A-1,Dhananjay Bunglow, Satellite, Ahmedabad- 380015, Gujarat
Occupation	Business
Permanent Account Number	ACFPM3358Q
Passport Number	L8493651
Name of Bank & Bank Account Details	Canara Bank, Ashram Road, Ahmedabad Account No.- 1321101010560
Driving License Number	132450-W


Other Directorship & Interests	<ul style="list-style-type: none"> • Riddhi Procon Private Limited • Riddhi Spinners Private Limited <p>Other Ventures</p> <ul style="list-style-type: none"> • Rajesh Ramkumar Mittal (HUF) (as Co-parcener) • Riddhi Charitable Trust
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3. Mr. Rajat R. Mittal

	<p>Mr. Rajat R. Mittal, aged 23 years is the promoter of the Company. He has completed his Bachelor of Engineering (B.E.) in Mechanical Engineering from Manipal University. He has more than a year experience in the Business and Industry.</p>
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Address	1/A-1,Dhananjay Bunglow, Satellite, Ahmedabad- 380015, Gujarat
Occupation	Business
Permanent Account Number	BIUPM5714L
Passport Number	H3022155
Name of Bank & Bank Account Details	Canara Bank, Ashram Road, Ahmedabad Account No.- 1321101010737
Driving License Number	GJ01 20110068322
Other Directorship & Interests	<ul style="list-style-type: none"> • Riddhi Procon Private Limited • Riddhi Spinners Private Limited <p>Other Ventures</p> <ul style="list-style-type: none"> • Rajesh Ramkumar Mittal (HUF) (as Co-parcener)

4. Ms. Riddhi R. Mittal

	<p>Ms. Riddhi R. Mittal, aged 18 years, is the Promoter of the Company. She is currently undergoing her studies in Bachelor of Law at O.P. Jindal Global University.</p>
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Address	1/A-1,Dhananjay Bunglow, Satellite, Ahmedabad- 380015, Gujarat
Occupation	-
Permanent Account Number	CZMPM4142E
Passport Number	M5314751
Name of Bank & Bank Account Details	Canara Bank, Ashram Road, Ahmedabad Account No.- 1321101010736
Driving License Number	She does not have driving license.

Other Directorship & Interests	Nil
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Other Undertakings and Confirmations

Our Company undertakes that the details of Permanent Account Number, bank account number and passport number of the Promoters will be submitted to the SME platform of BSE Exchange, where the securities of our Company are proposed to be listed at the time of submission of Draft Prospectus.

Common Pursuits of our Promoters

Our Promoters have not promoted any Promoter Group / Group Companies which are engaged in the line of business similar to our Company as on the date of this Draft Prospectus. For details of our Promoter Group and Group Entities refer to Section titled “Our Promoter Group and Promoter Group Entities” on page 104 of the Draft Prospectus. We shall adopt the necessary procedures and practices as permitted by law to address any conflicting situations, as and when they may arise.

Interest of the Promoters

Our promoters are interested in our Company to the extent that they have promoted the Company, to the extent of their shareholding, for which they are entitled to receive the dividend declared, and other distribution in respect of Equity Shares if any, by our Company. For details on shareholding of our Promoter in our Company, see sections “Capital Structure” and “Our Management” on pages 38 and 93 respectively.

Further, our Promoters who are also our Directors may be deemed to be interested to the extent of fees, remuneration and/or reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act, terms of the Articles and their terms of appointment.

Except as stated herein and as stated in “Related Party Transactions” appearing under section titled “Financial Information of the Company” on page 114 of this Draft Prospectus, we have not entered into any contract, agreements or arrangements during the preceding two years from the date of this Draft Prospectus in which the Promoters are directly or indirectly interested and no payments have been made to them in respect of these contracts, agreements or arrangements which are proposed to be made to them.

Interest in the property of our Company

Our Promoters have no interest in any property acquired or proposed to be acquired by our Company within the two years from the date of this Draft Prospectus, or in any transaction by our Company.

Payment amounts or benefit to our Promoters during the last two years

No payment has been made or benefit given to our Promoters in the two years preceding the date of the Draft Prospectus except as mentioned / referred to in this chapter and in the section titled ‘Our Management’, ‘Financial Information’ and ‘Capital Structure’ on page nos. 93, 114 and 38 respectively of this Draft Prospectus. Further as on the date of the Draft Prospectus, there is no bonus or profit sharing plan for our Promoters.

Confirmations

For details of legal and regulatory proceedings involving our Promoter, please refer to the section titled “Outstanding Litigation and Material Developments” on page 142..Our Promoters have not been declared a willful defaulter by the RBI or any other governmental authority and there are no violations of securities laws committed by our Promoters in the past or are pending against them.

Other ventures of our Promoters

Save and except as disclosed in the section titled “Our Promoters” and “Our Promoter Group and Group Companies / Entities” beginning on page 104 & 109 respectively of this Draft Prospectus, there are no ventures promoted by our Promoters in which they have any business interests/ other interests.



Litigation details pertaining to our Promoters

For details on litigations and disputes pending against the Promoters and defaults made by the Promoters please refer to the section titled “Outstanding Litigations and Material Developments” beginning on page 142 of this Draft Prospectus.

Shareholding of the Promoters and Promoter Group in our Company

Except as disclosed in “Capital Structure”, none of the members of our Promoter Group hold any Equity Shares as on the date of filing of this Draft Prospectus.

Related Party Transactions

For the transactions with our Promoter Group entities, please refer to section titled “Related Party Transactions” on page 112 of this Draft Prospectus.

Except as stated in “Related Party Transactions” beginning on page 112 of the Draft Prospectus, and as stated therein, our Promoters or any of the Promoter Group Entities do not have any other interest in our business.

Companies with which the Promoters are disassociated in the last three years

Name of Promoter	Name of Entity	Nature of Change	Date of Disassociation	Reasons thereof
Rajesh Kumar R. Mittal	Unique International Limited	Resignation from Directorship	12.02.2016	Pre-occupations with other concerns

Our Promoter Group

In addition to the Promoters named above, the following individuals and entities form a part of the Promoter Group:

Individuals forming part of Promoter Group

In terms of SEBI (ICDR) Regulations, the following immediate relatives, due to their relationship with our Promoters are part of our Promoter Group in terms of Regulation 2(1) (zb) (ii) of SEBI (ICDR) Regulations

Promoter	Mr. Rajesh Kumar R. Mittal	Ms. Preeti R. Mittal	Mr. Rajat R. Mittal	Ms. Riddhi Mittal
Spouse	Preeti R. Mittal	Rajesh Kumar R. Mittal	N.A.	N.A.
Father	Ram Kumar Mittal	Ramesh Chand Gupta	Rajesh R. Mittal	Rajesh R. Mittal
Mother	Indravati R. Mittal	Krishna Gupta	Preeti R. Mittal	Preeti R. Mittal
Son	Rajat R. Mittal	Rajat R. Mittal	N.A	N.A
Daughter	Riddhi R. Mittal	Riddhi R. Mittal	N.A	N.A
Brother(s)	Naresh R. Mittal	Akshat Gupta	N.A	Rajat R. Mittal
	Surendra R. Mittal			
	Vijendra R. Mittal			
Sister (s)	Sushila Goenka	Ruchi Khemka	Riddhi R. Mittal	N.A
		Neha Gupta		
	Shakuntala Gupta	Pooja Agarwal		
		Sweta Goyal		
Spouse Father	Ramesh Chand Gupta	Ram Kumar Mittal	N.A	N.A
Spouse Mother	Krishna Gupta	Indravati R. Mittal	N.A	N.A
Spouse Brother (s)	Akshat Gupta	Naresh R. Mittal	N.A	N.A
		Surendra R. Mittal		
		Vijendra R. Mittal		
Spouse Sister(s)	Ruchi Khemka	Sushila Goenka	N.A	N.A
	Neha Gupta			
	Pooja Agarwal	Shakuntala Gupta		
	Sweta Goyal			

Entities forming part of the Promoter Group:

The following entities form part of our Promoter Group pursuant to the terms of Regulation 2(1) (zb) (iv) of SEBI (ICDR) Regulations.

1. Riddhi Spinners Private Limited (RSPL)
2. Riddhi Procon Private Limited (RPPL)
3. Rajesh Ramkumar Mittal (HUF)
4. Riddhi Charitable Trust



Group Companies

Unless otherwise specified all information in this section is as on the date of this Draft Prospectus.

As per the requirement of the SEBI (ICDR) Regulations, for the purpose of identification of 'group companies', our Company considered Companies as covered under the applicable accounting standards (i.e. Accounting Standard 18 issued by the Institute of Chartered Accountants of India) and such other Companies as considered material by our Board. Pursuant to policy approved in the meeting of the Board of Director of Company held on April 06,2016, the group Companies shall be considered to be material if such Companies as covered under the applicable accounting standards (i.e. Accounting Standard 18 issued by the Institute of Chartered Accountants of India) and such Companies in which the Promoters of Riddhi Steel & Tubes Limited namely Mr. Rajesh Kumar R. Mittal , Ms. Preeti R. Mittal, Mr. Rajat R. Mittal and Ms. Riddhi R. Mittal holds individually or jointly, more than twenty percent of issued, subscribed and paid up share capital or voting rights of such entities.

The Companies and other ventures which form part of our Group Entities, are as follows:

1. Riddhi Spinners Private Limited (RSPL)
2. Riddhi Procon Private Limited (RPPL)

1. Riddhi Spinners Private Limited (RSPL)

Incorporation	August 16, 2013
CIN	U17120GJ2013PTC076451
PAN	AAGCR5600Q
Registered Office	1/A-1,Dhananjay Bunglow, Satellite, Ahmedabad- 380015, Gujarat, India
Nature of Activity	To carry the business of Textile & Other related activities.
Board of Directors	<ol style="list-style-type: none"> 1. Preeti R. Mittal 2. Rajat R. Mittal

Set forth below, is the shareholding pattern of RSPL:-

S. N.	Name	No of shares	Percentage of share holding
1.	Preeti R. Mittal	5000	50
2.	Rajat R. Mittal	5000	50
	Total	10000	100%

Financial Performance

The audited financial results of **RSPL** for the last three financial years, preceding the date of this Draft Prospectus are as follows:-

Particulars	As on March 31, 2015	As on March 31, 2014	As on March 31, 2013
Equity capital (F.V. Rs.10/-)	100.00	100.00	NA
Reserve and surplus(excluding Revaluation reserves, if any)	Nil	(0.10)	NA
Net Worth	-	0.90	NA
Sales/Turnover	-	-	NA
Profit/(Loss) after Tax	-	-	NA
Earnings per Share (in Rs.)	-	-	NA
Net Asset Value per Share(in Rs.)	10.00	9.00	NA

Nature and extent of interest of our Promoters:

S. N.	Name	No of shares	Percentage of share holding
1.	Preeti R. Mittal	5000	50



2.	Rajat R. Mittal	5000	50
	Total	10000	100%

Other confirmations

- Riddhi Spinners Pvt. Ltd is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 nor is under winding up;
- No application has been made to RoC for striking off the name of Riddhi Spinners Pvt. Ltd;
- There are no common pursuits among Riddhi Spinners Pvt. Ltd and our Company;
- Riddhi Spinners Pvt. Ltd is not prohibited from accessing the capital markets for any reasons by the SEBI or any other authorities;

2. Riddhi Procon Private Limited (RPPL)

Incorporation	February 27,2010
CIN	U45201GJ2010PTC059728
PAN	AAECR6504P
Registered Office	83/84, Village - Kamod, Piplaj Pirana Road, Post – Aslali, Ahmedabad-382427, Gujarat,
Nature of Activity	To carry on the business of Infrastructure Development, Real Estate Development, Land Development etc.
Board of Directors	i. Rajesh kumar R. Mittal ii. Preeti R. Mittal

Set forth below, is the shareholding pattern of RPPL:-

S. N.	Name	No of shares	Percentage of share holding
1.	Rajesh R.Mittal	500	5.00
2.	Preeti R. Mittal	10	0.10
3.	Rajat R.Mittal	9490	94.90
	Total	10,000	100%

Financial Performance

The audited financial results of **RPPL** for the last three financial years, preceding the date of this Draft Prospectus are as follows:-

Particulars	As on March 31, 2015	As on March 31, 2014	As on March 31, 2013
Equity capital (F.V. Rs.10/-)	100.00	100.00	100.00
Reserve and surplus(excluding Revaluation reserves, if any)	Nil	Nil	Nil
Net Worth	100.00	100.00	100.00
Sales/Turnover	Nil	Nil	Nil
Profit/(Loss) after Tax	Nil	Nil	Nil
Earning per Share(in Rs.)	Nil	Nil	Nil
Net Asset Value per Share (in Rs.)	10.00	10.00	10.00

Nature and extent of interest of our Promoters:

S. N.	Name	No of shares	Percentage of share holding
1.	Rajesh R.Mittal	500	5.00
2.	Preeti R. Mittal	10	0.10
3.	Rajat R.Mittal	9490	94.90
	Total	10,000	100%

Other confirmations



- Riddhi Procon Pvt. Ltd is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 nor is under winding up;
- No application has been made to RoC for striking off the name of Riddhi Procon Pvt. Ltd;
- There are no common pursuits among Riddhi Procon Pvt. Ltd and our Company;
- Riddhi Procon Pvt. Ltd is not prohibited from accessing the capital markets for any reasons by the SEBI or any other authorities;

Undertaking / Confirmations

Our Promoters and Group Companies have further confirmed that they have not been declared as wilful defaulters by the RBI or any other government authority and there have been no violations of securities laws committed by them in the past and no proceedings pertaining to such penalties are pending against them .

Additionally, none of our Promoters and Group Companies have been restrained from accessing the capital market for any reasons by the SEBI or any other authorities.

Common Pursuits

None of our Promoter Group Companies are involved in the activity similar to those conducted by our Company.

Related Business Transaction within the Group and Significance on Financial Performance

There is no business transactions between our Company and the Promoter Group Companies except as stated on under section titled as “Related Party Transactions” in the draft prospectus.

Sale or Purchase between our company and our Promoter Group Companies

There are no sales or purchases between our Company and any Company in the Promoter Group Companies / Entities except as stated on under the titled “Related party transactions” in the draft prospectus exceeding 10% of the sales or purchases of our Company.

Sick Companies

There are no Companies in our Promoter group listed above which have been declared as a sick company under the SICA. There are no winding up proceedings against any of Promoter Group Companies. Further, no application has been made by any of them to RoC to strike off their name.

Defunct Group Companies and Entities

None of our Promoter Group Companies and Entities has remained defunct and no application has been made to the Registrar of Companies for striking off their name from the register of companies, during the five years preceding the date of filing of the Draft Prospectus.



Related Party Transactions

For details on Related Party Transactions of our Company, please refer to Annexure 19 of the restated financial statement under the section titled, Financial Information beginning on page 114 of this Draft Prospectus.



Dividend Policy

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

There are no dividends declared by our Company since incorporation.

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



Section V - Financial Information

Auditor's Report on Restated Financial Statements

To,
The Board of Directors
Riddhi Steel & Tube Limited
83/84 village-Kamod,
Piplaj Pirana Road,
Ahmedabad - 382427

Sub : Issue of 23,40,000 Equity Shares of face value of Rs.10.00 each for cash at a price of Rs.38.00 per Equity Shares aggregating Rs. 889.20 Lakhs through the fixed price route.

Dear Sirs,

We have examined the Financial Information of Riddhi Steel & Tube Limited ('the Company') described below and annexed to this report for the purpose of inclusion in the offer document. The Financial Information has been prepared in accordance with the requirements of Section 26 of the Companies Act, 2013 ('the Act'), Sub-Clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 ('the Act') read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules ('the Rules'), 2014, The Securities and Exchange Board of India (SEBI) - Issue of Capital and Disclosure Requirements Regulations, 2009 ('ICDR Regulations') notified on August 26, 2009, as amended from time to time in pursuance of Section 30 of the Securities and Exchange Board of India Act, 1992 and related the Guidance Note on Reports in Company Prospectuses (Revised) issued by the Institute of Chartered Accountants of India (ICAI) and in terms of the letter of engagement dated 08/02/2016 agreed upon by us with the Company for the proposed IPO.

The Restated Financial Statements have been extracted from audited Financial Statements of the Company for the year ended March 31, 2011, 2012, 2013, 2014, 2015 and 3rd quarter ending as on 31 December 2015 which have been approved by the Board of Directors.

The Audit for the financial year ended 31st March 2011, 2012, 2013, 2014, 2015 and 3rd quarter ended as on 31st December 2015 was conducted by M/s. C.P. Shah & Co., Chartered Accountants. and accordingly reliance has been placed on the financial information examined by them for the said years. The financial report included for these years is based solely on the report submitted by them.

In terms of Schedule VIII, Clause IX (9) of the SEBI (ICDR) Regulations, 2009 and other provisions relating to accounts of M/S Riddhi Steel & Tube Limited, We, DEVPURA NAVLAKHA & CO. Chartered Accountants, have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the 'Peer Review Board' of the ICAI.

Based on the above, we report that in our opinion and according to the information and explanations given to us, we have found the same to be correct and the same have been accordingly used in the restated financial information appropriately.

A. Financial Information as per Audited Financial Statements:

We have examined:

- a. the attached Statement of Assets and Liabilities, as Restated as at year ended March 31, 2011, 2012, 2013, 2014, 2015 and 3rd quarter ended as on 31st December 2015. (**Annexure 1**);
- b. the attached Statement of Profits and Losses, as Restated for the year ended March 31, 2011, 2012, 2013, 2014 2015 and 3rd quarter ended as on 31st December 2015. (**Annexure 2**);
- c. the attached Statement of Cash Flows, as Restated for the year ended March 31, 2011, 2012, 2013, 2014, 2015 and 3rd quarter ended as on 31st December 2015 (**Annexure 3**);

- d. the significant accounting policies adopted by the Company and notes to the Restated Financial Statements along with adjustments on account of audit qualifications / adjustments / regroupings. **(Annexure 4)**;

(Collectively hereinafter referred as “Restated Financial Statements”)

Based on our examination and in accordance with the requirements of the Companies Act, 2013, SEBI ICDR Regulations, 2009 we state that:

- Restated Statement of Assets and Liabilities of the Company as at March 31, 2011, 2012, 2013, 2014, 2015 and 3rd quarter ended as on 31st December 2015 are as set out in **Annexure 1**, which are after making such material adjustments and regroupings as, in our opinion are appropriate, and are to be read with the significant accounting policies and notes thereon in **Annexure 4**;
- Restated Statement of Profits and Losses of the Company for the year ended March 31, 2011, 2012, 2013, 2014, 2015 and 3rd quarter ended as on 31st December 2015 are as set out in **Annexure 2**, which have been arrived at after making such material adjustments and regroupings to the audited financial statements as, in our opinion are appropriate, and are to be read with the significant accounting policies and notes thereon in **Annexure 4**;
- Restated Statement of Cash Flows of the Company for the year ended March 31, 2011, 2012, 2013, 2014, 2015 and 3rd quarter ended as on 31st December 2015 are as set out in **Annexure 3** after making such material adjustments and regroupings; to the audited financial statements as, in our opinion are appropriate, and are to be read with the significant accounting policies and notes thereon in **Annexure 4**;
- Adjustments for any material amounts in the respective financial years have been made to which they relate; and
- There are no Extra-ordinary items that need to be disclosed separately in the Restated Summary Statements or Auditor's qualification requiring adjustments.
- Adjustments in Financial Statements have been made in accordance with the correct accounting policies.
- There was no change in accounting policies, which needs to be adjusted in the “Restated Financial Statements”.
- There are no revaluation reserves, which need to be disclosed separately in the “Restated Financial Statements”.
- There are no audit qualifications in the “Restated Financial Statements”.

B. Other Financial Information:

We have also examined the following Financial Information relating to the Company, which is based on the Restated Financial Statements and approved by the Board of Directors of the Company and annexed to this report, is proposed to be included in the Offer Document:

1. Statement of Details of Reserves & Surplus as at March 31, 2011, 2012, 2013, 2014, 2015 and 3rd quarter ending as on December 31 2015 as set out in **Annexure 5** to this report.
2. Statement of Long Term Borrowings as at March 31, 2011, 2012, 2013, 2014, 2015 and 3rd quarter ending as on December 31 2015 as set out in **Annexure 6** to this report.
3. Statement of Short Term Borrowings as at March 31, 2011, 2012, 2013, 2014, 2015 and 3rd quarter ending as on December 31 2015 as set out in **Annexure 7** to this report.
4. Statement of Trade Payable as at March 31, 2011, 2012, 2013, 2014, 2015 and 3rd quarter ending as on December 31 2015 as set out in **Annexure 8** to this report.
5. Statement of Current Liabilities and Short Term Provisions as at March 31, 2011, 2012, 2013, 2014, 2015 and 3rd quarter ending as on December 31 2015 as set out in **Annexure 9** to this report.
6. Statement of Fixed Assets as at March 31, 2011, 2012, 2013, 2014, 2015 and 3rd quarter ending as on December 31 2015 as set out in **Annexure 10** to this report.

7. Statement of Investments as at March 31, 2011, 2012, 2013, 2014, 2015 and 3rd quarter ending as on December 31 2015 as set out in **Annexure 11** to this report.
8. Statement of Details of Long Term Loans and Advances as at March 31, 2011, 2012, 2013, 2014, 2015 and 3rd quarter ending as on December 31 2015 as set out in **Annexure 12** to this report.
9. Statement of Inventory as at March 31, 2011, 2012, 2013, 2014, 2015 and 3rd quarter ending as on December 31 2015 as set out in **Annexure 13** to this report.
10. Statement of Details of Trade Receivables as at March **Annexure 14** to this report.
11. Statement of Cash and Cash Equivalent as at March 31, 2011, 2012, 2013, 2014, 2015 and 3rd quarter ending as on December 31 2015 as set out in **Annexure 15** to this report.
12. Statement of Details of Short Term Loans and Advances as at March 31, 2011, 2012, 2013, 2014, 2015 and 3rd quarter ending as on December 31 2015 as set out in **Annexure 16** to this report.
13. Statement of Details of other expenses as at March 31, 2011, 2012, 2013, 2014, 2015 and 3rd quarter ending as on December 31 2015 as set out in **Annexure 17** to this report.
14. Statement of Details of Employee Benefit Expenses as at March 31, 2011, 2012, 2013, 2014, 2015 and 3rd quarter ending as on December 31 2015 as set out in **Annexure 18** to this report.
15. Statement of Details of Related Party Transactions as at March 31, 2011, 2012, 2013, 2014, 2015 and 3rd quarter ending as on December 31 2015 as set out in **Annexure 19** to this report.
16. Statement of Other Current Asset as at March 31, 2011, 2012, 2013, 2014, 2015 and 3rd quarter ending as on December 31 2015 as set out in **Annexure 20** to this report.
17. Statement of Other Income as at March 31, 2011, 2012, 2013, 2014, 2015 and 3rd quarter ending as on December 31 2015 as set out in **Annexure 21** to this report.
18. Statement of Tax Shelters for the year ended on March 31, 2011, 2012, 2013, 2014, 2015 and 3rd quarter ending as on December 31 2015 as set out in **Annexure 22** to this report.
19. Statement of Accounting Ratios for the year ended on March 31, 2011, 2012, 2013, 2014, 2015 and 3rd quarter ending as on December 31 2015 as set out in **Annexure 23** to this report.
20. Capitalization Statement as at March 31 Ending as on December 31 2015 as set out in 31, 2011, 2012, 2013, 2014, 2015 and 3rd quarter ending as on December 31 2015 as set out in **Annexure 24** to this report

In our opinion, the "Restated Financial Statements" and "Other Financial Information" mentioned above contained in Annexure 1 to 24 of this report have been prepared in accordance with Section 26 of Companies Act, 2013, read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014, the SEBI Guidelines and the Guidance Note on the reports in Company Prospectuses (Revised) issued by the Institute of Chartered Accountants of India (ICAI).

Consequently the financial information has been prepared after making such regroupings and adjustments as were, in our opinion, considered appropriate to comply with the same. As 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.

This report should not in any way be construed as a reissuance or re-dating of the previous audit report, nor should this be construed as a new opinion on any of the financial statements referred to herein.

We have no responsibility to update our report for events and circumstances occurring after the date of the report.

This report is intended solely for your information and for inclusion in the Offer Document in connection with the proposed IPO of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

FOR, DEVPURA NAVLAKHA & CO.

Chartered Accountants

Firm Registration No.: 121975W

Ashwini Devpura

Membership No.047390

Partner

Place: Ahmedabad

Date: 27/02/2016

Statement of Assets and Liabilities, as Restated

ANNEXURE-1

(Rs. in Lacs)

Particulars	December 31, 2015	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Equity & Liabilities						
Shareholders' Funds						
Share Capital	595.02	595.02	595.02	499.02	499.02	499.02
Reserve & Surplus	1572.69	1390.73	1139.31	908.55	690.90	519.01
Total (A)	2167.71	1985.75	1734.33	1407.57	1189.92	1018.03
Non Current Liabilities						
Share Application Money	-	-	-	-	-	-
Long Term Borrowings	4181.90	3549.22	3157.57	634.04	292.11	313.17
Deferred Tax Liabilities (Net)	106.98	94.31	88.78	37.84	20.73	21.75
Long Term Provisions	-	-	-	-	-	-
Total (B)	4288.88	3643.53	3246.35	671.88	312.84	334.92
Current Liabilities						
Short Term Borrowings	3801.73	3934.90	3611.83	4059.76	3465.47	2934.13
Trade Payables	45.40	32.80	375.82	77.97	52.78	43.66
Other Current Liabilities	293.13	457.56	471.03	127.35	159.93	274.89
Short Term Provisions	98.04	136.90	91.60	103.49	100.20	70.05
Total (C)	4238.30	4562.16	4550.28	4368.56	3778.38	3322.73
Total (D=A+B+C)	10694.89	10191.44	9530.96	6448.01	5281.14	4675.68
Assets						
Fixed Assets	2411.48	2427.38	2543.77	1641.36	1093.58	983.86
Non Current Investments	-	-	-	-	-	-
Long Term Loans & Advances	1501.40	866.64	576.22	570.09	266.78	91.28
Other Non Current Assets	-	-	-	-	-	-
Total (E)	3912.88	3294.02	3119.99	2211.45	1360.36	1075.14
Current Assets						
Current Investments	-	-	-	-	-	-
Inventories	2078.51	2225.76	2222.85	1810.87	1741.50	1280.33
Trade Receivables	3888.13	3356.93	3276.19	2108.78	1873.75	1897.72
Cash & Bank Balances	299.93	256.65	302.21	39.49	38.37	18.49
Short Term Loans & Advances	515.44	1058.09	609.72	277.42	267.16	404.01
Other Current Assets	-	-	-	-	-	-
Total (F)	6782.01	6897.42	6410.97	4236.56	3920.78	3600.54
Total (G=E+F)	10694.89	10191.44	9530.96	6448.01	5281.14	4675.68

Statement of Profit and Loss, as Restated

ANNEXURE-2

(Rs. in Lacs)

Particulars	December 31, 2015	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Income						
<u>Revenue from Operations :</u>						
Revenue From Sale of Products	15394.81	23389.07	20608.76	17944.02	14753.16	11965.44
Revenue From Sales of Service	-	-	0.70	-	2.25	-
Revenue from Other Operating	98.61	107.69	117.61	90.85	290.14	230.38
Total	15493.42	23496.76	20727.06	18034.87	15045.55	12195.82
Expenditure						
Purchases & Direct Expenses	13308.24	20815.34	18235.99	16474.12	13871.71	10910.93
Decrease / (Increase) in Stock in Trade	99.76	(108.59)	202.36	(269.63)	(709.09)	(105.36)
Other Expenses	807.79	1177.83	866.64	689.28	893.10	716.82
Employees Benefit Expenses	29.40	51.66	74.05	65.25	57.78	52.61
Preliminary Expenses Written Off	-	-	-	-	-	-
Total	14245.19	21936.26	19379.04	16959.02	14113.50	11575.00
Profit before Depreciation, Interest and Tax	1248.22	1560.50	1348.02	1075.85	932.05	620.82
Depreciation	241.39	308.16	239.15	154.69	151.70	125.02
Profit before Interest & Tax	1006.83	1252.34	1108.87	921.16	780.35	495.80
Interest & Finance Charges	736.33	875.55	753.02	594.59	520.20	318.94
Net Profit before Tax	270.50	376.79	355.85	326.57	260.15	176.86
Less: Provision for Taxes	88.54	123.61	127.11	109.93	89.90	65.71
Net Profit After Tax & Before Extraordinary Items	181.96	253.18	228.74	216.64	170.25	111.15
Extra Ordinary Items (Net of Tax)	-	-	-	-	-	-
Net Profit	181.96	253.18	228.74	216.64	170.25	111.15

Statement of Cash Flow, as Restated

ANNEXURE-3

(Rs. in Lacs)

Particulars	December 31, 2015	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
CASH FLOW FROM OPERATING ACTIVITIES						
Net profit before taxes	270.5	376.79	355.85	326.57	260.15	176.86
Adjustment for:						
Add: Depreciation	241.39	308.16	239.15	154.69	151.7	125.02
Add: Preliminary Expenses written off	0	0	2.02	1.01	1.63	1.63
Add: Preliminary Expenses incurred during year	0	0	0	0	0	(5.05)
Add: Sundry Balance written Back	0	0	1.52	(16.53)	(2.35)	0
Add: Interest & Finance Charges	736.33	875.55	753.02	588.85	496.07	308.71
Operating Profit before Working capital changes	1248.22	1560.5	1351.56	1054.59	907.2	607.17
Adjustments for:						
Decrease (Increase) in Current Investments	0	0	0	0	0	0
Decrease (Increase) in Inventories	147.25	(2.91)	(411.98)	(69.37)	(461.17)	(150.7)
Decrease (Increase) in Trade Receivables	(531.20)	(80.74)	(1168.92)	(235.03)	23.97	(573.97)
Decrease (Increase) in Short Term Loans & Advances	542.65	(448.37)	(332.30)	(10.26)	136.85	(293.37)
Decrease (Increase) in Other Current Assets	0	0	0	0	0	0
Increase (Decrease) in Short Term Borrowings	0	0	0	0	0	0
Increase (Decrease) in Trade Payables	12.6	(343.02)	297.85	41.72	11.47	(95.54)
Increase (Decrease) in Other Current Liabilities	(164.43)	(13.47)	343.68	(32.58)	(114.96)	232.79
Increase (Decrease) in Short Term Provisions	(38.86)	45.3	(11.89)	3.29	30.15	43.79
Increase (Decrease) in Deferred Tax Liabilities	0	0	0	0	0	0
Net Changes in Working Capital	(31.99)	(843.21)	(1283.56)	(302.23)	(373.69)	(837.00)
Less: Taxes Paid	(75.88)	(117.30)	(76.17)	(92.83)	(90.92)	(65.00)
Net Cash Flow from Operating Activities (A)	1140.35	599.99	(8.17)	659.53	442.59	(294.83)
CASH FLOW FROM INVESTING ACTIVITIES						
Sale /(Purchase) of Fixed Assets	(225.49)	(194.3)	(1141.56)	(702.47)	(261.42)	(291.38)
Net Cash Flow from Investing Activities (B)	(225.49)	(194.3)	(1141.56)	(702.47)	(261.42)	(291.38)
Issue of share capital	0	0	96.00	0	0	337.3
Proceeds / (Refund) from Share Application Money	0	0	0	0	0	0
Sale /(Purchase) of Non Current Investments	0	0	0	0	0	0

Interest & Finance Charges	(736.33)	(875.55)	(753.02)	(588.85)	(496.07)	(308.71)
Increase / (Repayment) of Long Term Borrowings	632.68	391.65	2523.53	341.93	(21.06)	(63.81)
Increase / (Repayment) of Short Term Borrowings	(133.17)	323.07	(447.93)	594.29	531.34	697.05
Decrease (Increase) in Long Term Loans & Advances	(634.76)	(290.42)	(6.13)	(303.31)	(175.5)	(81.36)
Net Cash Flow from Financing Activities (C)	(871.58)	(451.25)	1412.45	44.06	(161.29)	580.47
Net Increase / (Decrease) in Cash & Cash Equivalents	43.28	(45.56)	262.72	1.12	19.88	(5.74)
Cash and cash equivalents at the beginning of the year / Period	256.65	302.21	39.49	38.37	18.49	24.23
Cash and cash equivalents at the end of the year/ Period	299.93	256.65	302.21	39.49	38.37	18.49

ANNEXURE-4

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNT FOR PREPARATION OF RESTATED FINANCIAL STATEMENT

A. Significant Accounting Policies:

1. Basis Of Preparation Of Financial Statements

These financial statements 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, read with rule 7 of the companies (accounts) rules, 2014 and the relevant provisions of the companies act, 2013. The financial statements have been prepared under the historical cost convention on accrual basis. accounting policies have been consistently applied by the company.

2. Use Of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made, that affects the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Differences between the actual results and estimates are recognized in the period in which the results are known / materialized.

3. Inventory

Inventories Are Valued As Under;

- a) Finished Goods At Cost Including Production Overheads.
- b) Packing Materials And Work In Progress At Cost.

All The Duties And Taxes Have Been Considered While Valuing The Inventory, In Accordance With Provisions Of Section 145A Of The Income Tax Act, 1961.

4. Revenue Recognition

In appropriate circumstances, revenue is recognized on accrual basis when no significant uncertainty as to determination or realization exists.

Sales are accounted for on gross sales including excise duty & value added tax. sales are accounted on dispatch of goods from the company premises.

All the items of expenses and income are accounted on accrual basis.

5. Fixed Assets And Depreciation:

Tangible fixed assets are stated at cost of acquisition includes inward freight, non-refundable duties, taxes and other directly attributable incidental expenses, net of CENVAT credit and value added tax. Depreciation is provided as per the written down value method on the basis of useful life specified in the schedule II of the companies act, 2013.

6. Employee Benefits:

Short- Term Employee Benefits :

Bonus: The company has provided for bonus, payable to its employees, for their services rendered during the year, as per the company's rules and policy, on an undiscounted basis.

7. Borrowing Cost:

Borrowing cost relating to acquisition, construction of fixed assets or production of qualifying assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to period till such assets are ready to be put to use. Other borrowing cost are recognized as an expense in the period in which these are incurred.

8. Segment Reporting:

In terms of AS-17 on "Segment Reporting" the company neither has more than one business segment nor more than one geographical segment requiring separate disclosures as there are no more distinguishable component or economic environments of the enterprise engaged in providing individual product or service or a group of related products or services and the same are not subjected to different risks and returns either of business or geographical segments.

9. Earning Per Share:

The basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The basic and diluted EPS are same as the company has no potential equity shares.

10. Taxes On Income:

Current tax is determined as the amount of tax payable in respect of taxable income for the year. Deferred tax is recognized, on timing difference, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Where there is unabsorbed depreciation or carry forward losses, deferred tax assets are recognized if there is virtual certainty that sufficient future taxable income will be available against which such assets can be realized. Other deferred tax assets are recognized only to the extent there is reasonable certainty of realization in future. Such assets are reviewed at each balance sheet date to reassess realization. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

11. Provision, Contingent Liabilities And Contingent Assets:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent assets are neither recognized nor disclosed in the financial statements.

B. CHANGES IN ACCOUNTING POLICIES IN THE YEARS/PERIODS COVERED IN THE RESTATED FINANCIALS

There is no change in significant accounting policies during the reporting period except, as and when Accounting Standards issued by the Institute of Chartered Accountants of India / Companies (Accounting Standard) Rules, 2006 were made applicable on the relevant dates.

C. NOTES ON RESTATED FINANCIAL STATEMENTS

1. NOTES ON RESTATEMENTS MADE IN THE RESTATED FINANCIALS

MATERIAL ADJUSTMENTS [AS PER SEBI (ICDR) REGULATIONS, 2009]

A. The reconciliation of Profit after tax as per audited results and the Profit after tax as per Restated Accounts is presented below. This summarizes the results of restatements made in the audited accounts for the respective years and its impact on the profit & losses of the company.

(Rs. In Lacs)						
Particulars	December 31, 2015	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Profit after tax before appropriation (as per Audited accounts)	181.96	253.18	228.74	216.63	170.25	111.15
Adjustments	-	-	-	-	-	-
Profit after Tax as per Restated Profit & Loss Account	181.96	253.18	228.74	216.63	170.25	111.15

2. Other Notes

1. General

The Company was incorporated during the year 2001 and restated financial statements have been prepared for the fiscal year ended March 31, 2011, 2012, 2013, 2014, 2015 and for the period ended December 31, 2015.

2. Earnings per Share

The details of Earnings per Share as per AS-20 are provided in Annexure 6.

3. Related Party Transactions:

The details of Related Party Transactions as per Accounting Standard -18 are provided in Annexure 14.

4. The company is not having any earning / Expenditure in Foreign Currency.

5. The company has not given any guarantee to bank or corporate and the company is no having any contingent liability.

6. The figures in the restated financial statements and other financial information are stated in lacs and rounded off to two decimals and minor rounding off difference is ignored.

ANNEXURE- 5

STATEMENT OF DETAILS OF RESERVES & SURPLUS, AS RESTATED

(Rs. In Lacs)						
Particulars	December 31, 2015	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Securities Premium	135.00	135.00	135.00	135.00	135.00	135.00
Less: Utilized for Bonus Issue	-	-	-	-	-	-
Net Securities	135.00	135.00	135.00	135.00	135.00	135.00

Premium (A)						
Profit / (Loss) Brought Forward	1255.73	1004.31	775.57	558.93	388.67	277.52
Add: Profit / (Loss) for the Year	181.96	253.18	228.74	216.63	170.26	111.15
Less: Utilized for Bonus Issue	-	-	-	-	-	-
Less: Depreciation in respect of assets whose useful life is over	-	(1.76)	-	-	-	-
Profit / (Loss) Carried Forward (B)	1437.69	1255.73	1004.31	775.56	558.93	388.67
Less: Preliminary Expenses	-	-	-	2.02	3.03	4.67
Reserves & Surplus (A+B)	1572.69	1390.73	1139.31	908.54	690.90	519.00

ANNEXURE- 6

STATEMENT OF DETAILS OF LONG TERM BORROWINGS

(Rs. In Lacs)

Particulars	December 31, 2015	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Unsecured Loans						
From Promoter/Group Companies and Directors	261.52	116.73	587.26	-	-	-
From Others	3360.95	2708.60	1613.04	-	-	-
Term loan						
Canara Bank Term Loan-1	-	-	21.44	106.40	292.11	313.17
Canara Bank Term Loan-2	318.00	397.50	503.50	-	-	-
Intec capital Limited	241.43	326.39	432.33	527.64	-	-
Total	4181.90	3549.22	3157.57	634.04	292.11	313.17

ANNEXURE- 7

STATEMENT OF DETAILS OF SHORT TERM BORROWINGS

(Rs. In Lacs)

Particulars	December 31, 2015	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Secured Loans:						
Working Capital Loan	2905.54	2856.75	2309.10	2294.05	1936.51	2118.89
Other Bank Loan	896.19	1078.15	1302.73	451.11	367.94	59.59
Unsecured Loans						
From Promoter/Group Companies and Directors	-	-	-	369.70	196.89	256.58
From Others	-	-	-	944.90	964.13	499.07
Total	3801.73	3934.90	3611.83	4059.76	3465.47	2934.13

ANNEXURE-8

Statement of Trade Payable

(Rs. In Lacs)

Particulars	December 31, 2015	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Trade Payable for Goods	45.40	32.80	375.82	77.97	52.78	43.66
Total	45.40	32.80	375.82	77.97	52.78	43.66

ANNEXURE-9

Statement of Current Liabilities and Short Term Provisions

(Rs. In Lacs)

Particulars	December 31, 2015	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Current Liabilities	293.13	457.56	471.03	127.35	159.93	274.89
Advances from Customers	-	34.04	29.20	26.28	8.28	105.85
Other current liabilities	293.13	423.52	441.83	101.07	151.65	169.04
Short Term Provisions	98.04	136.90	91.60	103.48	100.20	70.05
- Provision for income tax	75.86	117.30	76.17	92.83	90.92	65.00
- Salary payable	-	2.46	1.74	-	0.59	-
- Electricity bill Payable	22.18	17.14	13.43	10.65	8.69	5.05
- Telephone bill payable	-	-	0.26	-	-	-
Total	391.18	594.45	562.63	230.83	260.13	344.94

ANNEXURE-10
Statement of Fixed Assets

(Rs. In Lacs)

Particulars	December 31, 2015	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Gross Block	4068.93	3843.44	3649.13	2507.57	1805.09	1543.67
Factory Building	649.24	589.08	513.05	491.34	461.47	334.07
Electrification	97.01	97.01	97.01	97	97	52.59
Plant & Machinery	2506.13	2361.22	2268.67	1395.23	998.18	934.52
Computer	9.47	9.09	5.73	4.67	4.23	4.23
Office Equipment	6.45	6.07	5.71	5.71	4.14	3.07
Air Conditioner	4.95	4.7	4.7	4.7	3.51	1.77
Scooter	3.91	3.91	3.91	3.39	1.99	2
Furniture & fixture	7.97	7.97	7.78	7.7	7.62	7.49
Motor Cars	107.42	106.01	106.01	96	95.94	95.94
Cooling set	1.71	1.71	1.71	1.71	1.71	1.71
Crane	96.65	96.65	96.65	96.65	96.65	79.38
Roll set	32.65	32.65	32.65	32.66	32.65	26.9
Capital Work In Progress						
Plant and Machinery	439.24	439.24	447.96	270.81	-	-
Factory Building	62.16	62.16	57.59	-	-	-
Office Building	43.97	25.97	-	-	-	-
Depreciation Cumulative	1657.45	1416.06	1105.36	866.21	711.51	559.81
Factory Building	255.83	224.64	184.95	150.02	113.25	81.88
Electrification	75.24	64.66	48.71	40.9	31.84	23.19
Plant & machinery	1132.9	955.04	729.12	557.77	476.76	398.07
Computer	9.64	7.49	4.61	3.95	3.57	3.13

Office Equipment	6.48	4.98	2.6	2.1	1.51	1.16
Air Conditioner	4.72	3.62	2.15	1.74	1.3	0.96
Scooter	2.9	2.54	2.06	1.5	1.13	0.83
Furniture & fixture	6.95	6.42	5.59	5.11	4.53	3.86
Motor Cars	92.1	85.01	75.98	66.69	56.46	42.67
Colling set	0.96	0.86	0.72	0.56	0.38	0.16
Crane	50.79	44.48	36.05	26.26	14.89	2.04
Roll set	18.94	16.32	12.82	9.61	5.89	1.86
Depreciation on Capital Work In Progress						
Plant and Machinery	-	-	-	-	-	-
Factory Building	-	-	-	-	-	-
Office Building	-	-	-	-	-	-
Net Block	2411.48	2427.38	2543.77	1641.36	1093.58	983.86

ANNEXURE-11
Statement of Investments

(Rs. In Lacs)

Particulars	December 31, 2015	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Current Investments	-	-	-	-	-	-
Non Current Investments	-	-	-	-	-	-
Total	-	-	-	-	-	-

ANNEXURE -12

Statement of Details of Long Term Loans & Advances

(Rs. In Lacs)

Particulars	31-Dec-15	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Security Deposits	271.73	271.19	248.27	278.97	62.88	2.25
Loans & Advances	1229.67	595.45	327.95	291.12	203.9	89.02
Total	1501.40	866.64	576.22	570.09	266.78	91.27

ANNEXURE-13

Statement of Inventory

(Rs. In Lacs)

Particulars	31-Dec-15	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Inventory						
- Finished Goods	744.67	752.15	773.24	1052.27	1043.26	348.52
- Raw Material	886.89	934.37	1042.02	434.97	648.23	898.65
- Stores and Spares	29.24	29.25	27.28	19.98	7.00	4.50
- Work in progress	417.71	509.99	380.31	303.65	43.01	28.66
Total	2078.51	2225.76	2222.85	1810.87	1741.5	1280.33

ANNEXURE-14

Statement of Details of Trade Receivables

(Rs. In Lacs)

Particulars	31-Dec-15	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
(A) Unsecured, Considered good outstanding for a period less than six months						
Trade Receivables	3888.13	3356.93	3276.19	2108.78	1873.75	1897.72
From Related Parties	-	-	-	-	-	-
From Others	3888.13	3356.93	3276.19	2108.78	1873.75	1897.72
B) Unsecured, Considered good outstanding for a period more than six months						
Trade Receivables	-	-	-	-	-	-
From Related Parties	-	-	-	-	-	-
From Others	-	-	-	-	-	-
Total	3888.13	3356.93	3276.19	2108.78	1873.75	1897.72

ANNEXURE-15

Statement of Cash and Cash Equivalent

(Rs. In Lacs)

Particulars	31-Dec-15	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Cash on Hand	12.92	0.14	9.13	18.23	29.39	7.83
Balance With banks						
On Current Account with Banks	33.08	12.98	51.83	16.12	2.17	4.27
In Fixed Deposits	253.93	243.53	240.49	5.14	6.81	6.39
Demand Draft on Hand	-	-	0.75	-	-	-
Total	299.93	256.65	302.2	39.49	38.37	18.49

ANNEXURE-16

Statement of Details of Short Term Loans & Advances

(Rs. In Lacs)

Particulars	31-Dec-15	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Miscellaneous Advances	418.77	663.27	448.98	270.51	265.43	155.09
Advance to Suppliers	96.67	394.82	160.74	6.91	1.73	248.92
Total	515.44	1058.09	609.72	277.42	267.16	404.01

ANNEXURE-17

Statement of Other Expenses

(Rs. In Lacs)

Particulars	December 31, 2015	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Demrage Charges	2.21	0.04	6.68	2.11	6.6	6.19
Loading and Unloading Charges	5.54	15.92	9.58	23.25	-	-
Transport Charges	43.32	55.39	17.4	-	57.47	88.47
Power Consumption	165.82	220.47	135.52	125.3	95.85	81.17
Wages Charges	44.64	25.56	20.35	-	-	-
Job Charges	-	-	-	0.18	18.08	18.76
Stores and Packing	-	-	-	46.32	28.55	36.97
Machinery Repairs	-	-	-	-	1.91	2.24
Value on Plant & Machinery	-	-	-	-	-	2.27
Painting and Guniting	-	-	-	-	-	0.65
Total (A)	261.53	317.38	189.53	197.16	208.46	236.72
Advertisement Expenses	5.13	1	0.29	0.91	0.29	2.81

Audit Fees	-	-	-	1.59	-	0.4
Books and periodical expenses	-	-	-	-	-	-
Car petrol expenses	-	-	-	-	1.05	1.16
Cartage Expenses	-	0.51	0.17	0.17	0.14	0.42
Commission on Sales	-	2.18	3.93	0.58	66.36	75.53
Conveyance Expenses	-	-	0.01	-	-	0.05
Consulting Charges	-	1.84	1.78	1.39	2	3.17
Computer repairing expenses	-	-	-	-	0.29	0.16
Certification Fees	-	-	-	0.24	0.06	0.11
CST	-	-	-	0.18	0.13	-
Central Sales Tax	8.13	9.82	9.38	4.31	4.38	7.24
Credit Card Expenses	-	-	-	-	-	0.12
Discount	-	7.55	-	-	-	-
Donation	-	6.64	0.05	0.15	1.03	11.2
Excise Duty	141.02	136.38	194.98	168.05	90.55	68.99
General Expenses	-	1.37	0.63	0.87	0.38	1.18
Interest on IT , CST, VAT, TDS & Others	8.53	2.63	-	-	0.06	-
Income Tax	-	-	0.84	0.11	-	-
Income Tax (11-12)	0	0	0	0	0.11	0
Income Tax (09-10)	0	0	0	0	0.01	6.38
Inspection Expenses	-	-	-	-	-	0.02
Insurance Expenses	3.77	4.15	5.09	1.67	3.95	5.15
Kasar & Vatav Expenses	-	-	-	0.11	0.95	-
Lease Rent	9.5	12.67	10.67	0.67	0.67	1.37
Legal & Professional Fees	20.92	5.67	15.24	2.79	3.27	1.96
Labour Charges	-	1.02	1.12	-	3.44	13.86
License Fees	1.37	1.41	1.24	1.74	1.16	1.02
Medical Allowances	-	-	-	-	0.02	0.33
Membership Fees	-	-	-	-	-	0.06
Municipal Tax	5.53	4.28	5.38	3.83	4.41	4.06
Miscellaneous Expenses	24.09	-	-	-	-	0.29
Maharshi Expenses	-	-	-	-	-	0.06
Petrol Expenses	-	0.74	0.37	0.27	1.18	1.59
Postage and Courier Expenses	-	0.36	0.36	0.54	0.31	0.17
Preliminary Expenses Written off	-	-	2.02	1.01	1.63	1.63
Printing & Stationery Expenses	-	1.26	1.13	0.74	0.44	0.41
Professional Fees	-	3.95	3.93	-	1.19	0.3
Professional Tax	0.64	0.48	0.44	0.35	-	-
Rate Difference	-	3.45	-	-	-	1.37
Registration Fees	-	2.52	-	-	-	-
Rating Fees	-	0.83	0.35	0.35	-	1.48
Renewal Charges	-	-	0.73	-	-	0.02
Rent A/C	-	-	-	-	-	-
Repair & Maintenance	9.61	8.09	5.56	5.34	-	-
ROC Filing Fees	-	-	0.05	0.07	0.08	0.05
Sales promotion	-	-	-	-	-	1.75
Security Service Charges	-	5.56	5.8	4.29	4.27	3.62
Service Tax	39.19	1	0.95	0.6	0.63	0.88
Sundry Balance Written off	-	-	1.52	-	-	-
Stamp Duty Expenses	-	3.61	7.91	-	3.03	7.21
Staff welfare	-	-	-	-	-	-
Stamping Expenses	-	7.44	3.89	0.88	-	1.18
Tender Fees	-	0.05	-	-	-	-
T.C.S	-	-	-	0.23	-	-
Tax Deducted at Source	-	-	3.52	1.58	-	0.27
Telephone Expenses	-	1.81	2.64	1.8	1.81	1.83
Testing Fees	-	0.29	0.1	0.28	0.4	0.17
Temple Exps	-	-	-	-	0.22	0.47

Transport Charges	11.13	16.5	23.89	23.31	-	-
Travelling Expenses	-	6.56	6.3	-	9.43	12.17
Value Added Tax	257.7	596.83	354.83	261.12	474.49	235.57
Vehicle Repairing & Maintenance	-	-	-	-	0.63	0.55
Weightbridge Exp	-	-	-	-	0.19	0.31
Total (B)	546.26	860.45	677.11	492.12	684.64	480.1
Total (A+B)	807.79	1177.84	866.64	689.27	893.1	716.82

ANNEXURE-18

Statement of Employee Benefit Expenses, As Restated

(Rs. In Lacs)

Particulars	December 31, 2015	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Salaries, Wages, Allowances, Bonus etc.	13.87	28.45	25.27	30.96	27.26	18.42
Contribution to PF,PPF,ESIC etc	1.03	0.25	2.94	1.02	1.18	1.35
Staff/ Labour Welfare	0.26	1.13	6.34	3.09	5.33	8.84
Remuneration to Directors	14.24	21.83	39.5	30.18	24	24
TOTAL	29.4	51.66	74.05	65.25	57.77	52.61

ANNEXURE-19

Statement of Details of Related Party Transactions

(Rs. In Lacs)

Particulars	December 31, 2015	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
REVENUE ITEMS :						
Sale of Goods	-	-	-	-	-	-
Remuneration to Promoters & Directors	14.24	21.83	39.50	30.18	24.00	24.00
Preeti R Mittal	-	5.97	17.97	16.48	18.00	18.00
Rajesh Kumar R Mittal	4.48	5.98	11.98	3.72	6.00	6.00
Rajat R Mittal	1.99	5.98	5.97	9.98	-	-
Shivsankar Agrawal	4.48	3.90	3.58	-	-	-
Naresh Walia	3.29	-	-	-	-	-
Total	14.24	21.83	39.50	30.18	24.00	24.00
NON-REVENUE ITEMS :						
Loan Taken	261.52	116.73	592.38	394.62	209.74	284.46
Rajesh R. Mittal	261.02	40.79	67.90	3.42	0.67	7.49
Rajesh R. Mittal HUF	-	-	5.12	24.93	12.85	13.58
Rajat R. Mittal	0.50	74.70	299.74	105.56	4.61	14.30
Preeti R. Mittal	-	1.24	219.62	260.71	191.61	249.09
Total	275.76	138.54	631.88	424.80	233.74	308.46

ANNEXURE-20

Statement of Other Current Asset

(Rs. In Lacs)

Particulars	December 31, 2015	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Other Current Assets	-	-	-	-	-	-
Total	-	-	-	-	-	-

ANNEXURE-21
Statement of Other Income

(Rs. In Lacs)

Particulars	31-Dec-15	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Interest Income	89.6	106.79	115.03	60.28	30.11	-
Trade Discount Receivable	-	-	-	-	252.55	214.07
Other Income	9.01	0.9	3.27	30.57	9.73	16.31
Total	98.61	107.69	118.3	90.85	292.39	230.38

ANNEXURE- 22
Statement of Tax Shelters

(Rs. In Lacs)

Particulars	December 31, 2015	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Profit before tax as per Restated P/L	376.79	355.85	326.57	260.16	176.86
Applicable Corporate Tax Rate	32.45	32.45	32.45	32.45	33.22
Tax at Notional Rate	122.25	115.46	105.96	84.41	58.75
Adjustments					
Difference between Tax Depreciation and Book Depreciation	39.14	(157.01)	(55.36)	3.3	(2.3)
Exempted Income	-	-	-	-	-
Disallowance	3.33	5.37	1.85	1.21	17.85
Items Chargeable at special rates	-	-	-	-	-
Other Items	(38.97)	(0.83)	(0.07)	(0.5)	(5.58)
Set off of Business Losses / Unabsorbed Depreciation	-	-	-	-	-
Net Adjustments	3.50	(152.47)	(53.58)	4.01	9.97
Tax Saving thereon	1.13	(49.47)	(17.38)	1.30	3.31
Tax Saving to the extent of Tax at Notional Rate	-	-	-	-	-
Tax Payable [A]	123.38	72.07	88.58	85.71	62.06
Tax Payable on items chargeable at special rates [B]	-	-	-	-	-
Total Tax Payable [C=A+B]	123.38	72.07	88.58	85.71	62.06
Tax Rebates [D]	-	-	-	-	-
Net Tax Payable [E=C-D]	123.38	72.07	88.58	85.71	62.06

ANNEXURE-23
Statement of Accounting Ratios

(Rs. In Lacs)

Particulars	December 31, 2015	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Networth (A)	2167.71	1985.75	1734.34	1407.57	1189.92	1018.03
Net Profit after Tax (B)	181.96	253.18	228.74	216.64	170.25	111.15
No. of Shares outstanding at the end [F.V Rs.10] (C)	5950252	5950252	5950252	4990252	4990252	4990252
Weighted average number of shares outstanding [F.V Rs.10](D)	5950252	5950252	5637266	4990252	4990252	2166857
Bonus Shares [E]	-	-	-	-	-	-
Weighted average number of shares outstanding Post Bonus Shares [F.V Rs.10] (F) (D+E)	5950252	5950252	5637266	4990252	4990252	2166857
Earnings per Share (EPS) (B / F) (Rs.)	3.06	4.25	4.06	4.34	3.41	5.13
Return on Networth (B / A*100)	8.39	12.75	13.19	15.39	14.31	10.92

Net Assets Value per Share (A / F)	36.43	33.37	30.76	28.20	23.84	46.98
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Definitions of key ratios:

I. Earnings per share (Rs.): Net Profit attributable to equity shareholders / weighted average number of equity shares outstanding as at the end of the year / period. Earnings per share are calculated in accordance with Accounting Standard 20 "Earnings per Share" issued by the Institute of Chartered Accountants of India.

II. Return on Net Worth (%): Net Profit after tax / Net worth as at the end of the year / period.

III. Net Asset Value (Rs.): Net Worth at the end of the year / weighted average number of equity shares outstanding as at the end of the year / period.

IV. Net Profit, as appearing in the Statement of restated profits and losses, and Net Worth as appearing in the restated statement of Assets & Liabilities has been considered for the purpose of computing the above ratios.

ANNEXURE -24

Capitalization Statement

(Rs. In Lacs)

Particulars	Pre-issue as at December 31, 2015	Post Issue
Borrowing		
Short - Term Debt	3801.73	3801.73
Long - Term Debt	4181.90	4181.90
Total Debt	7983.63	7983.63
Shareholders' Funds		
Share Capital		
- Equity	595.02	829.02
Less: Calls - in – arrears		
- Preference	-	-
Reserves & Surplus	1572.69	2227.89
Total Shareholders' Funds	2167.71	3056.91
Long - Term Debt / Shareholders Fund	1.93	1.36
Short - Term Debt / Shareholders Fund	1.75	1.24

Statement of Financial Indebtedness

Brief details on the financial indebtedness of *Riddhi Steel & Tube Private Limited* “the Company” as on December 31, 2015 is as under:

(Amount in Rs. Lacs)

Secured Loan

Name of Lender	Purpose	Sanctioned Amount	Rate of interest per annum as per sanction letter	Securities offered	Re-payment	Outstanding amount as on 31.12.2015 as per Books
Canara Bank Cash Credit	To meet day to day requirement of business	2600.00	Base Rate + 3.50%	1. Land and Building of M/S Mahak Synthetics Mills Pvt. Ltd. Lessor :-M/S Mahak Synthetics Mills Pvt. Ltd. Lessee:-M/S Riddhi Steel & Tube P. Ltd. Plot area 5629.00 sq. Mtr. at 85, Village Piplaj, via Kamod Pirana Road, Post. Aslali, Ahmedabad.	Renewable Every Year	2905.54
Canara Bank Letter of Credit	To meet day to day requirement of business	900.00	Base Rate + 3.50%	2. Bungalow no.1, Situated at Dhananjay Bungalows, B/H, Shyamal Row House no 3/B, Nr. Someswar, Derasar, Satellite, Ahmedabad Area 429.70 sq mtr. In the name of Mr. Anuj N. Mittal & Smt. Preeti R.Mittal.	Renewable Every Year	896.19
Canara Bank Term Loan	For Expansion purpose	530.00	Base Rate + 3.75%	3. EMT of unit 266, Goyal Holiday Resort, Opp: Gulmohur Greens Golf & Country Club, B/S Rushikesh Farm, Kolat Road Talav, Ratanpura, in the name of Smt. Preeti R.Mittal & Smt. Manju Surendra Mittal	60 EMIS, the first instalment commencing from 31.01.2014	318.00
Canara Bank Term Loan	For Expansion Purpose	520.00	Base Rate + 4.75%	4. EMT of Land 9203 sq mtr. With all the upper tanancies at Survey no.83, 84, Mouja Piplaj, Tal.: City, Dist. Ahmedabad in the name of Mr. Rajesh Ramkumar Mittal	Door to Door tenure of 5.50 years including 4 months of construction period and 1 month of moratorium period	NIL
				5. Land in the name of Smt. Preeti R.Mittal & Rajesh		

				R.Mittal Situated at Survey no. 128/1, admeasuring 8255.20 sq. mtr. at mouje village Sanand, Ahmedabad. 6. Fixed Deposit in the name of Company 7. Hypothecatio n of Plant & Machineries purchased out of term loan 8. Hypothecatio n of Stock & Book Debts		
Intec Capital Limited	To purchase Equipments	578.79	13% Reducing	1. Hypothecatio n of Equipments 2. First Charge on property	60 EMIS	241.43
Total						4361.16

Unsecured Loan

(Amount in Rs. Lacs)

Name of Lender	Outstanding Amount as on 31.12.2015 as per Books
From Directors, Shareholders, Relatives & Others.	3622.46
TOTAL	3622.46

FOR, DEVPURA NAVLAKHA & CO.
Chartered Accountants
Firm Registration No.: 121975W

Ashwini Devpura
Membership No.047390
Partner

Place: Ahmedabad
Date: 27/02/2016

Management Discussion & Analysis of Financial Condition and Results of Operations

You should read the following discussion and analysis of our financial condition and results of operations together with our audited restated financial statements prepared in accordance with paragraph B of Part II of Schedule II to the Companies Act and SEBI (ICDR) Regulations, including the schedules, annexure and notes thereto and the reports thereon of each of the financial years ended March 31, 2011, 2012, 2013, 2014, 2015 and for the period ended December 31, 2015 in the chapter titled "Financial Information" on 114 of this Draft Prospectus. The following discussion relates to our Company and, unless otherwise stated, is based on our restated financial statements, which have been prepared in accordance with Indian GAAP, the Accounting Standards and other applicable provisions of the Companies Act and the SEBI (ICDR) Regulations. Our fiscal year ends on March 31 of each year so accordingly all references to a particular financial year are to the twelve months ended March 31 of that year.

Business Overview

Riddhi Steel & Tube Ltd. is engaged in manufacturing of steel pipes. The Promoter of our Company are Mr. Rajesh Kumar R. Mittal, Ms. Preeti R. Mittal, Mr. Rajat R. Mittal and Ms. Riddhi R. Mittal. Our Company is engaged in the manufacturing of black and galvanized steel pipes in various range size having wide application in varied industries including power sector, agro based industries, construction industries, structural, scaffolding, irrigation and engineering industries, air and gas transportation, fire fighting applications etc.. Our Company also manufactures steel square hollow sections (SHS) and rectangular hollow sections (RHS) in a various size and thickness. We are currently operating in Ahmedabad, Gujarat and our manufacturing unit is located at 83/84, Village Piplaj, Pirana Road, Aslali, Ahmedabad- 382427.

With an installed capacity of about 60,000 Metric tons per annum, the company's thrust for growth is never ending. Expansion, diversification and addition of facilities are continuous process to meet growing demand of various sectors. The unit is equipped with modern plant and machinery which includes tube mills, threading / finishing equipments etc. The company is accredited with ISO: 9001-2008 certificate and this accreditation is confirmation of competence of the company to deliver quality product.

Significant Material Developments Subsequent To the Last balance sheet i.e. December 31, 2015

In the opinion of the Board of Directors of our Company, other than as disclosed in this Draft Prospectus, there have not arisen, since the date of the last balance sheet set out herein, any significant developments or any circumstance that materially or adversely affect or are likely to affect the profitability of the Company or the value of its assets or its ability to pay its material liabilities within the next twelve months.

Key factors that may affect our results of operation:

Our results of operations have been, and will be, affected by many factors, some of which are beyond our control. This section sets out certain key factors that our management believes have historically affected our results of operations during the period under review, or which could affect our results of operations in the future.

- Our ability to maintain and expand our existing product portfolio;
- Fluctuations in operating costs;
- Short fall or non - availability or any escalation in the prices of critical raw materials used by our Company;
- Our ability to successfully implement our growth strategy and expansion plans, and to successfully launch and implement various projects and business plans;
- Changes in laws and regulations relating to the industry in which we operate;
- Any adverse outcome in the legal proceedings in which we may be involved;
- General economic and demographic conditions;
- Interest and exchange rate fluctuations;
- Tax benefits and incentives.
- Increasing competition in the industry;
- Changes in fiscal, economic or political conditions in India;



For more information on these and other factors/development which have or may affect us, please refer to chapters titled “Risk Factors”, “Industry Overview” and “Business Overview” beginning on 11, 69 and 74 respectively of this Draft Prospectus.

Results of Operation

The following table sets forth select financial data from restated Profit and Loss Accounts for the 9 months ending December 31, 2015 and Financial Year ended on March 31, 2015, 2014, 2013, & 2012 and the components of which are also expressed as a percentage of total income for such periods.

Particulars	December,31 2015	% of Total Income	For the Year ended March, 31							
			2015	% of Total Income	2014	% of Total Income	2013	% of Total Income	2012	% of Total Income
Income										
Revenue From Sales of Products	15394.81	99.36	23389.07	99.54	20608.76	99.43	17944.02	99.50	14753.16	98.06
Revenue From Sales Of Service	0.00	0.00	0.00	0.00	0.70	0.00	0.00	0.00	2.25	0.01
Other Income	98.61	0.64	107.69	0.46	117.61	0.57	90.85	0.50	290.14	1.93
Total Income	15493.42	100.00	23496.76	100	20727.06	100	18034.87	100.00	15045.55	100
Expenditure										
Purchases & Direct Expenses	13308.24	85.90	20815.34	88.59	18235.99	87.98	16474.12	91.35	13871.71	92.20
Decrease / (Increase) in Stock in Trade	99.76	0.64	(108.59)	(0.46)	202.36	0.98	(269.63)	(1.50)	(709.09)	(4.71)
Other Expenses	807.79	5.21	1177.83	5.01	866.64	4.19	689.28	3.82	893.10	5.94
Employees Benefit Expenses	29.40	0.19	51.66	0.22	74.05	0.36	65.25	0.36	57.78	0.38
Total Expenditure	14245.19	91.94	21936.26	93.36	19379.04	93.51	16959.02	94.03	14113.50	93.81
Profit before Depreciation, Interest and Tax	1248.22	8.06	1560.50	6.64	1348.02	6.50	1075.85	5.97	932.05	6.19
Depreciation	241.39	1.56	308.16	1.31	239.15	1.15	154.69	0.86	151.70	1.01
Profit before Interest & Tax	1006.83	6.50	1252.34	5.33	1108.87	5.35	921.16	5.11	780.35	5.19
Interest & Finance Charges	736.33	4.75	875.55	3.73	753.02	3.63	594.59	3.30	520.20	3.46
Net Profit before Tax	270.50	1.75	376.79	1.60	355.85	1.72	326.57	1.81	260.15	1.73
Less: Provision for Taxes	88.54	0.57	123.61	0.53	127.11	0.61	109.93	0.61	89.90	0.60
Net Profit After Tax & Before Extraordinary Items	181.96	1.17	253.18	1.08	228.74	1.10	216.64	1.20	170.25	1.13
Extra Ordinary Items (Net of Tax)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net Profit	181.96	1.17	253.18	1.08	228.74	1.10	216.64	1.20	170.25	1.13



Key Components of Our Profit And Loss Statement

Revenue from operations: Revenue from operations mainly consists of manufacturing and sale of steel tubes & pipes

Other Income: Other income primarily comprises Interest Income, Trade Discount Receivable etc.

Purchase Expenses: Our Purchase Expenses consist of Raw Material and Store & Tools (Including Oil & Lubricants).

Employee benefits expense: Employee benefit expense includes salaries and wages, staff welfare expenses, bonus, Directors remuneration and Contribution to PF, EPF, ESIC etc.

Finance Costs: Finance cost comprises Interest on Indebtedness, bank and other Finance charges.

Depreciation expense: We recognize depreciation and amortization expense on a Written down value method as per the provisions set forth in the Companies Act 2013 from 1st April 2014 and rates set forth in Companies Act, 1956 for prior period to 1st April 2014.

Other expenses: Other expenses consist of Power Consumption, Taxes & Duty, Legal & Professional Fees, Transport Charges and other Miscellaneous Expenses.

Financial Performance for the Nine Months Period ended December 31, 2015:

Income:

Revenue from Operations

During the period ended December 31, 2015 our Revenue from Operations is Rs. 15394.81 lacs which is about 99.36% of Total Income.

Other Income

During the period ended December 31, 2015 our Other Income is Rs. 98.61 lacs comprising of Interest & miscellaneous income which is about 0.64% of Total Income.

Expenditure

Total Expenses:

The Total Expenditure for the period ended December 31, 2015 is Rs. 14245.19 lacs which is about 91.94% of the Total Income

Purchase Expenses:

Our Company has incurred Rs. 13308.24 lacs for Purchase of Raw Material and Store & Tools(Including Oil & Lubricants) during the period ended December 31, 2015 which is about 85.90% of Total Income.

Employee Benefits Expenses:

Our Company has incurred Rs.29.40 lacs as employee benefit expenses during the period ended December 31, 2015 which is about 0.19% of the Total Income.

Interest & Finance Cost:

Interest & Finance cost for the period ended December 31, 2015 is Rs. 736.33 Lacs which is about 4.75% of the Total Income.

Depreciation Expense:

Depreciation for the period ended December 31, 2015 Rs. 241.39 lacs calculated at WDV method as per companies Act, is about 1.56% of the Total Income.

Other Expenses:

Our Company has incurred Rs. 807.79 lacs for the period ended December 31, 2015 which is about 5.21% of the Total Income.

Profit Before Tax

The Profit before tax for the for the period ended December 31, 2015 stood at Rs. 270.50 lacs which is 1.75% of the Total Income

Profit After Tax

The Profit After Tax for the for the period ended December 31, 2015 stood at Rs. 181.96 lacs which is 1.17 % of the Total Income.

Since, the results are for Nine Months, Comparison with previous fiscal would not reflect actual performance of the Company, Comparison has not been provided.

COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2015 WITH FISCAL 2014

Revenue from Operations

During the year 2014-15 the total revenue of our company increased to Rs. 23389.07 Lacs as against Rs. 20608.76 Lacs in the year 2013-14, representing an increase of 13.49%. This increase is majorly due to a slightly higher scale of operation in the financial year 2014-15.

Total Expenses

The total expenditure for the year 2014-15 increased to Rs. 21936.26 Lacs from Rs.19379.04 Lacs in the year 2013-14, representing an increase of 13.20%. This increase was majorly due to higher scale of operation in the financial year 2014-15.

Purchases

Our Company has incurred Rs. 20815.34 lacs as Purchase Expenses during the F.Y. 2014-15 as against Rs. 18235.99 lacs during the FY 2013-14. The increase of 14.14% is mainly due to increase in purchases of material.

Other Expenses

Our Company has incurred Rs. 1177.83 lacs during the FY 2014-15 on Other Expenses as compared to Rs. 866.64 lacs during FY 2013-14. The increase of 35.91% is majorly due to increase in overall manufacturing and administrative expenses.

Employee benefits expenses

The employee benefit expense comprises of salaries, Wages, allowances, Bonus, contribution to PF,PPF,ESIC etc., staff/labour welfare expenses and Remuneration to Directors. Our Company has incurred Rs.51.66 lacs as employee

benefit expenses during the FY 2014-15 as compared to Rs.74.05 lacs during the FY 2013-14. The decrease of 30.24% as compared to previous year is due to decrease in remuneration paid to directors.

Depreciation expense

Depreciation for the year 2014-15 stood at 308.16 Lakhs calculated as per the method specified in the Schedule II of the Companies Act, 2013. For the year 2013-14 there was 239.15.

Interest & Finance Charges

These Charges were for the year 2014-15 increased to Rs 875.55 Lakhs as against Rs 753.02 Lakhs during the previous financial year. The increase of 16.27% as compared to previous year is due to changes in working capital requirements.

Profit/ (Loss) After Tax

For the year 2014-15 the profit stood at Rs 253.18 Lakhs as against the profit of Rs 228.74 Lakhs for the previous year 2013-14. The cause of increase of 10.68% was majorly due to better operation in the financial year.

COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2014 WITH FISCAL 2013

Revenue from Operations

During the year 2013-14 the total revenue of our company increased to Rs. 20608.76 Lacs as against Rs. 17944.02 Lacs in the year 2012-13, representing an increase of 14.85%. This increase is majorly due to a slightly higher scale of operation in the financial year 2013-14.

Total Expenses

The total expenditure for the year 2013-14 increased to Rs. 19379.04 Lacs from Rs. 16959.02 Lacs in the year 2012-13, representing an increase of 14.27%. This was due to the cause of increase in these expenses was majorly due to higher scale of operation in the financial year 2013-14.

Purchases

Our Company has incurred Rs. 18235.99 lacs as Purchase Expenses during the F.Y. 2013-14 as against Rs. 16474.12 lacs during the FY 2012-13. The increase of 10.69% is mainly due to increase in purchases of material.

Other Expenses

Our Company has incurred Rs. 866.64 lacs during the FY 2013-14 on Other Expenses as compared to Rs. 689.28 lacs during FY 2012-13. The increase of 25.73% is majorly due to increase in administrative expenses.

Employee benefits expenses

The employee benefit expense comprises of salaries, Wages, allowances, Bonus, contribution to PF,PPF,ESIC etc., staff/labour welfare expenses and Remuneration to Directors. Our Company has incurred Rs. 74.05 lacs as employee benefit expenses during the FY 2013-14 as compared to Rs. 65.25 lacs during the FY 2012-13. The increase of 13.49% as compared to previous year is largely due to increase in remuneration paid to directors.

Depreciation expense

Depreciation for the year 2013-14 stood at Rs.239.15 Lakhs calculated as per the method specified in the Companies Act, 1956. For the year 2012-13 there was Rs.154.69.

Interest & Finance Charges

These Charges were for the year 2013-14 increased to Rs 753.02 Lakhs as against Rs 594.59 Lakhs during the previous financial year. The increase of 26.65% as compared to previous year is due to changes in working capital requirements.

Profit/ (Loss) After Tax

For the year 2013-14 the profit stood at Rs 228.74 Lakhs as against the profit of Rs 216.64 Lakhs for the previous year 2012-13. The cause of increase of 5.59% was majorly due to better operation in the financial year.

COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2013 WITH FISCAL 2012

Revenue from Operations

During the year 2012-13 the total revenue of our company increased to Rs. 17944.02 Lacs as against Rs. 14755.41 Lacs in the year 2011-12, representing an increase of 21.63%. This increase is majorly due to a slightly higher scale of operation in the financial year 2012-13.

Total Expenses

The total expenditure for the year 2012-13 increased to Rs. 16959.02 Lacs from Rs. 14113.50 Lacs in the year 2011-12, representing an increase of 20.16%. This was due to the cause of increase in these expenses was majorly due to higher scale of operation in the financial year 2012-13.

Purchases

Our Company has incurred Rs. 16474.12 lacs as Purchase Expenses during the F.Y. 2012-13 as against Rs. 13871.71 lacs during the FY 2011-12. The increase of 18.76% is mainly due to increase in purchases of material.

Other Expenses

Our Company has incurred Rs. 689.28 lacs during the FY 2012-13 on Other Expenses as compared to Rs. 893.10 lacs during FY 2011-12. The decrease of 22.82% is majorly due to decrease in administrative expenses.

Employee benefits expenses

The employee benefit expense comprises of salaries, Wages, allowances, Bonus, contribution to PF,PPF,ESIC etc., staff/labour welfare expenses and Remuneration to Directors. Our Company has incurred Rs. 65.25 lacs as employee benefit expenses during the FY 2012-13 as compared to Rs. 57.78 lacs during the FY 2011-12. The increase of 12.93% as compared to previous year is due to increase in remuneration paid to directors.

Depreciation expense

Depreciation for the year 2012-13 stood at Rs. 154.69 Lakhs calculated as per the method specified in the Companies Act, 1956. For the year 2011-12 there was Rs. 151.70.

Interest & Finance Charges

These Charges were for the year 2012-13 increased to Rs 594.59 Lakhs as against Rs 520.20 Lakhs during the previous financial year. The increase of 14.30% as compared to previous year is due to changes in working capital requirements.

Profit/ (Loss) After Tax

For the year 2012-13 the profit stood at Rs 216.64 Lakhs as against the profit of Rs 170.25 Lakhs for the previous year 2011-12. The cause of increase of 27.25% was majorly due to better operation in the financial year.

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:

- ***Unusual or infrequent events or transactions***

There has not been any unusual or infrequent events or transactions that have significantly affected operations of the Company.

- ***Significant economic changes that materially affected or are likely to affect income from continuing operations.***

There are no significant economic changes that materially affected Company's operations or are likely to affect income from continuing operations. Any slowdown in the growth of Indian economy or future volatility in global commodity prices, could affect the business, including the future financial performance, shareholders' funds and ability to implement strategy and the price of the Equity Shares.

- ***Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.***

Apart from the Risks disclosed under the section titled "Risk Factors" no known trends or uncertainties are envisaged or are expected to have a material adverse impact on sales, revenue or income from continuing operations to Company's knowledge.

- ***Future changes in relationship between costs and revenues in case of events such as future increase in labour or material cost or prices that will cause material change.***

Other than as described in the chapter titled "**Risk Factors**" beginning on page 11 of this Draft Prospectus, to our knowledge there are no factors, which will affect the future relationship between costs and income or which are expected to have a material adverse impact on our operations and finances.

- ***The extent to which material increases in net sales / revenue is due to increase in sales volume, introduction of new products or services or increased sales prices***

Increases in revenues are by and large linked to increases in volume of business activity carried out by the Company

- ***Total turnover of each major industry segment in which our Company operates***

The Company operates in single segment in context of accounting standards 17 on Segment Reporting issued by ICAI.

- ***Status of any publicly announced New Products or Business Segment***

Our Company has not announced any new product.

- ***The extent to which our Company's business is seasonal***

Our Company's business is not seasonal in nature.

- ***Dependence on few customers/ clients***

We are not under threat of dependence from any single supplier or customer

- ***Competitive conditions***



It faces competition from existing and potential competitors which is common for any business. It has, over a period of time, developed certain competitive strengths which has been discussed in section titled “*Our Business*” on page 74 of this Draft Prospectus.

SECTION VI: LEGAL AND OTHER INFORMATION

Outstanding Litigation And Material Developments

Except as stated herein, there are no outstanding or pending litigation, suits, civil prosecution, criminal proceedings or tax liabilities against our Company, our Directors, our Promoters and Promoter Group and there are no defaults, non-payment of statutory dues, over dues to banks and financial institutions, defaults against bank and financial institutions and there are no outstanding debentures, bonds, fixed deposits or preference shares issued by our Company; no default in creation of full security as per the terms of the issue, no proceedings initiated for economic or 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, 1956), and no disciplinary action has been taken by SEBI or any stock exchanges against our Promoters, our Directors or Promoter Group Companies.

The Company has a policy for identification of Material' Outstanding Dues to Creditors in terms of the SEBI(ICDR) Regulations,2009 as amended for creditors where outstanding due to any one of them exceeds 20% of consolidated trade payables as per the last consolidated audited financial statements of the Issuer.

Further in terms of the SEBI (ICDR) Regulations,2009 as amended **the Company has a policy for providing consolidated information** for outstanding dues to small scale undertakings and micro, small and medium enterprise giving details of number of cases and amount involved.

The 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 the Issuer, its directors, promoters, group companies and subsidiaries, other than criminal proceedings, statutory or regulatory actions and taxation matters where the monetary amount of claim by or against the entity or person in any such pending matter(s) is in excess Rs. 20 million or 5% of the net profits after tax of the Company for the most recent audited fiscal period whichever is higher and such pending cases are material from the perspective of the Issuer's business, operations, prospects or reputation.

Litigations Relating The Company

I. Cases Filed By Riddhi Steel and Tube Limited

A) Civil Cases

"RSTPL has filed an application before The Debts Recovery Tribunal Chandigarh under section 17 of SARFAESI Act 2002 being SA No. 44 of 2014 against the Punjab National Bank and ARCEE Ispat Udyog Limited against the SARFAESI actions taken by the Authorised officer of Punjab National Bank, in respect of movable and immovable properties of the Company (leased in favour of the Company by the said ARCEE Ispat Udyog Limited), against certain alleged dues, of the said Punjab National Bank payable by the said ARCEE Ispat Udyog Limited."

The proceedings are currently pending with the Debt Recovery Tribunal.

B) Criminal Cases

There are no cases or pending criminal proceedings filed by Riddhi Steel and Tube Limited

C) Labour Cases

There are no cases or pending labour proceedings filed by Riddhi Steel and Tube Limited

II. Cases Filed Against Riddhi Steel and Tube Limited

A) Civil proceedings

There are no cases or pending civil proceedings filed against Riddhi Steel and Tube Limited

B) Criminal Proceedings

There are no cases or pending criminal proceedings filed against Riddhi Steel and Tube Limited .

III. Tax Proceedings Involving Riddhi Steel and Tube Limited :

1. An Income tax demand was raised on the Company in connection with the assessment year 2010-11 which amount to Rs. 97.14 lacs The assessment was completed U/s 143(3) and issued an order dated March 28, 2013 by disallowing certain expenditure related to Addition on account of difference in closing stock as per bank statement and as per financial statement, Commission expenses, Commission to HUFs, Addition on account of sticky creditors etc. The Company has filed an appeal against the order on 11/04/2013 before the Commissioner of Income Tax (Appeals).The appeal is partly allowed. Against the order of the Commissioner of Income Tax (Appeals), The Dy. Commissioner of Income Tax filed an appeal to the Income Tax Appellate Tribunal dated 13/04/2015. The matter is currently pending with the Appellate Tribunal.
2. An Income tax demand was raised on the Company in connection with the assessment year 2011-12 which amount to Rs. 1.59 cr. The assessment was completed U/s 143(3) and issued an order dated January 31, 2014 by disallowing certain expenditure related to remuneration paid to Smt. Preeti R Mittal, Director of the company, Commission Expenses, Addition on account of share premium and share capital, interest expenses in relation to interest-free advances, interest expenses in relation to advances on capital goods, ROC expenses, Interest payments made to NBFC for non-deduction of TDS, Interest paid to related parties. The Company has filed an appeal against the order on 27.02.2014 before the Commissioner of Income Tax (Appeals).The appeal was partly allowed. Against the order of the Commissioner of Income Tax (Appeals), the company has filed an appeal to the Income Tax Appellate Tribunal dated 05.06.2015. The matter is currently pending with the Income Tax Appellate Tribunal.
3. An Income tax demand was raised on the Company in connection with the assessment year 2012-13 which amount to Rs. 58.56 lacs. The assessment was completed U/s 143(3) and issued an order dated January 28, 2015 by disallowing certain expenditure related to remuneration paid to Smt. Preeti R Mittal, Director of the company, Commission expenses, interest expenses in relation to interest-free advances, preliminary expenses, interest paid to related party etc. The Company has filed an appeal against the order on 19.02.2015 before the Commissioner of Income Tax (Appeals).Against the order of Commissioner of Income Tax (Appeals), the Dy. Commissioner of Income Tax filed an appeal to the Income Tax Appellate Tribunal dated 18/11/2015. The matter is currently pending with the Income Tax Appellate Tribunal.
4. An Income tax demand was raised on the Company in connection with the assessment year 2013-14 which amount to Rs. 21.73 lacs. The assessment was completed U/s 143(3) and issued an order dated January 08, 2016 by disallowing certain expenditure related to remuneration paid to Smt. Preeti R Mittal, Director of

the company, interest expenses in relation to interest-free advances, preliminary expenses, interest paid to related party etc. The Company has filed an appeal against the order on 27.01.2016 before the Commissioner of Income Tax (Appeals). The matter is currently pending with the Commissioner of Income Tax (Appeals).

Litigations Involving Promoters of Riddhi Steel And Tube Limited

For Mr. Rajeshkumar R. Mittal

1. Proceedings of Civil nature

- (a) By the promoter: **NIL**
- (b) Against the promoters: **NIL**

2. Proceedings of a Criminal nature

- (a) By the promoter: **NIL**
- (b) Against the promoters: **NIL**

3. Proceeding relating to Tax Matters

NIL

For Mrs. Preeti R. Mittal

1. Proceedings of Civil nature

- (a) By the promoter: **NIL**
- (b) Against the promoters: **NIL**

2. Proceedings of a Criminal nature

- (a) By the promoter: **NIL**
- (b) Against the promoters: **NIL**

3. Proceeding relating to Tax Matters

NIL

For Mr. Rajat R. Mittal

1. Proceedings of Civil nature

- (c) By the promoter: **NIL**
- (d) Against the promoters: **NIL**

2. Proceedings of a Criminal nature

- (c) By the promoter: **NIL**

(d) Against the promoters: **NIL**

3 .Proceeding relating to Tax Matters :

NIL

For Ms. Riddhi R. Mittal

1. Proceedings of Civil nature

(e) By the promoter: **NIL**

(f) Against the promoters: **NIL**

2. Proceedings of a Criminal nature

(e) By the promoter: **NIL**

(f) Against the promoters: **NIL**

3 .Proceeding relating to Tax Matters

NIL

Litigations Involving Directors of Riddhi Steel And Tube Limited

The Directors of the Company are as follows:

1. Mr. Rajeshkumar R. Mittal - Managing Director;
2. Mrs. Preeti R. Mittal - Director;
3. Mr. Shankar Prasad Bhagat- Independent Director;
4. Mr. Paras Kumarpal Shah- Independent Director; and
5. Mr. Saurin Shailesh Shah - Independent Director

None of the above directors is have any civil case or criminal case or any proceedings relating to Tax Matters either filed by them or against them.

Litigations Involving Promoter Group of Riddhi Steel And Tube Limited

NIL

Litigations Involving Group Companies of Riddhi Steel And Tube Limited

Riddhi Spinners Private Limited

1. Proceedings of Civil nature

(a) By the promoter: **NIL**

(b) Against the promoters: **NIL**

2. Proceedings of a Criminal nature

(a) By the promoter: **NIL**

(b) Against the promoters: **NIL**

3. Proceeding relating to Tax Matters

NIL

Riddhi Procon Private Limited

1. Proceedings of Civil nature

(a) By the promoter: **NIL**

(b) Against the promoters: **NIL**

2. Proceedings of a Criminal nature

(a) By the promoter: **NIL**

(b) Against the promoters: **NIL**

3. Proceeding relating to Tax Matters

NIL

Government & Other Approvals

Our Company has received the necessary consents, licenses, permissions and approvals from the Government and various governmental agencies required for their present business (as applicable on date of this Draft Prospectus) and except as mentioned below, no further approvals are required for carrying on the present business.

In view of the approvals listed below, the Company can undertake this Issue and their 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 the business activities. It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for the 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 Draft Prospectus.

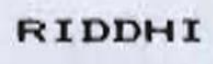
The following statement sets out the details of licenses, permissions and approvals taken by the Company under various Central and State laws for carrying out business.

S.N.	Particulars	Granting Authorities	Registration/Approval/Code No./ Artistic Work No	Date of Issue	Period of Validity if specified
1.	Certificate of Incorporation	Assistant Registrar of Companies-Gujarat, Dadra and Nagar Haveli	U27106GJ2001PTC039978	07.09.2001	NA
2	Fresh Certificate of Incorporation upon Conversion from Private Company into Public Company and consequently change of name from Riddhi Steel & Tube Private Limited to Riddhi Steel & Tube Limited	Registrar of Companies-Ahmedabad, Gujarat	U27106GJ2001PLC039978	01.02.2016	NA
3	Permanent Account Number	Income Tax Department, Government of India	AACCR0175J	14.03.2016	NA
4	Tax Deduction Account Number (TAN)	Income Tax Department, Government of India	AHMR00912C	Not available	NA
5	Employees Provident Fund Organisation	Regional Provident Fund Commissioner, Sub-Regional Office-Vatva, Ahmedabad	GJ/VAT/70147	01.09.2009	-
6	Gujarat VAT Taxpayer's Identification	Gujarat Sales Tax Department.	24075500449	01.07.2002	NA
7	Central Excise Registration Certificate	Superintendent, of Central Excise,	AACCR0175JXM001	24.04.2002	NA

		Ahmedabad			
8	Service Tax	Superintend-ent, Service Tax, Range XII, Div-III, Ahmedabad;	AACCR0175JST001	27.01.2005	NA
9	Professional Tax – Central Zone	Assistant Manager, Professional Tax-Central Zone, Ahmedabad Municipal Corporation	PRC013460763	Not available	
10	Water & Air Pollution (Consent to Operate) & Hazardous Waste	Gujarat Pollution Control Board	AW-63310	04/07/2014	18/02/2019
11	Registration under Employees State Insurance Act, 1947	Employee State Insurance Corporation	N0.37-26471/67	28/03/2008	-
12	ISO 9001:2008 Certificate	Nimbus Certification Pvt. Ltd	GUJ / Q- 1274/C2	22/09/2015	21/09/2018
13	License under Bureau of Indian Standards Act 1986	Bureau of Indian Standards, Ahmedabad	CM/L- 7398696 CM/L- 7398595 CM/L-3744366	30/11/2015	28/11/2016
14	Entrepreneur's Memorandum for setting up Micro, Small of Medium Enterprise.	District Industries Centre, Ahmedabad	24-007-12-06154	21/02/2009	-
15	Sales Tax	Office of Sales Tax Officer	224575500449	Not available	-

Approvals relating to Intellectual Property:

Registered Trade mark under Trade Marks Act, 1999

S. N.	Particulars of Mark	Date of Certificate	Trademark No.	Class	Goods / Services in respect of which Certificate is granted
1.		23/03/2005	1083189	6	M.S Pipes and G.I.Pipes and its parts and fittings, including in class 6

Approvals required to be obtained by the Company, but not applied for:

1. Registration under Bombay Shop and Establishment Act, 1948
2. Factory License for running the factory situated at 83/84, Village Piplaj, Pirana Road, Aslali, Ahmedabad- 382 427

Section VII- Other Regulatory and Statutory Disclosures

Authority for the Issue

Our Board of Directors have vide resolution dated February 20, 2016 authorized the Issue, subject to the approval by the shareholders of our Company under Section 62 (1)(c) of the Companies Act, 2013.

The shareholders have authorized the Issue, by passing a Special Resolution at the Extra Ordinary General Meeting held on March 19, 2016 in accordance with the provisions of Section 62 (1)(c) of the Companies Act, 2013.

In-principle listing Approval

The Company has obtained approval from BSE vide letter dated [●] to use the name of BSE in this Offer Document for listing of equity shares on the SME platform of the BSE. BSE is the designated stock exchange.

Prohibition by SEBI

Our Company, our Promoters, our Promoter Group, our Directors have not been debarred from accessing or operating in the capital market by the Board (SEBI) or any other regulatory or governmental authority. 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 in any manner associated with the securities market and there has been no action taken by SEBI against our Directors or any entity in which our Directors are involved as promoters or directors.

Prohibition by RBI

Neither our Company, our Promoters, our Promoter Group, our Group Companies, relatives of our Promoters (as defined under the Companies Act), our Directors and Companies with which our Directors are associated as directors or promoters have not been declared as willful defaulters by RBI / government authorities and there are no violations of securities laws committed by them in the past and no proceedings are pending against them.

Association with Securities Market

We confirm that none of our Directors are associated with the securities market in any manner except for trading on day to day basis for the purpose of investment.

Eligibility for the 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.

This Issue is being made in terms of Regulation 106 (M) (1) of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, an issuer whose post issue paid up capital do not exceed ten crore rupees shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the SME Platform of BSE).

We confirm that:

- a) In accordance with Regulation 106(P) of the SEBI (ICDR) Regulations, this Issue has been hundred percent underwritten and that the Lead Manager to the Issue has underwritten more than 15% of the Total Issue Size. For further details pertaining to said underwriting, please refer to “General Information – Underwriting” on page 32 of this Draft Prospectus.



- b) In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under Section 40 of the Companies Act, 2013.
- c) In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, we have not filed any Draft Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our Lead Manager submits 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) Regulations, we have entered into an agreement with the Lead Manager and Market Maker to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in this Issue.

For further details of the arrangement of market making please refer to “General Information – Details of the Market Making Arrangements for this Issue” on page 32 of this Draft Prospectus.

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter X-B 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, 2009, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 7, 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 circular dated April 01, 2015, which states as follows:

BSE ELIGIBILITY NORMS: (<http://www.bsesme.com/static/getlisted/criteriaisting.aspx?expandable=0>)

1. The Company has Net Tangible assets of at least Rs. 3 crore as per the latest audited financial results.
2. The Net worth (excluding revaluation reserves) of the Company is at least Rs. 3 crore as per the latest audited financial results.
3. The Company has track record of distributable profits in terms of section 123 of Companies Act for at least two years out of immediately preceding three financial years and each financial year has a period of at least 12 months or has networth of Rs. 5 crore.
4. The distributable Profit, Net tangible Assets and Net worth of the Company as per the restated financial statements for the period ended December 31, 2015 and the year ended March 31, 2015, 2014 and 2013 is as set forth below:-

(Rs. In lakhs)

Particulars	December 31, 2015	March 31, 2015	March 31, 2014	March 31, 2013
Distributable Profits*	181.96	253.18	228.74	216.64
Net Tangible Assets**	6456.59	5629.28	4980.68	2079.45
Net Worth***	2167.71	1985.75	1734.34	1407.57

* “Distributable profits” have been computed in terms section 123 of the Companies Act, 2013.

** ‘Net tangible assets’ are defined as the sum of all net assets (i.e. non current assets, current assets less current liabilities) of our Company, excluding deferred tax asset and intangible assets as defined in Accounting Standard 26 (AS 26) issued by the Institute of Chartered Accountants of India

*** “Net Worth” has been defined as the aggregate of the paid up share capital, share application money (excluding the portion included in other current liabilities) and reserves and surplus excluding miscellaneous expenditure, if any



5. The Post-issue paid up capital of the Company shall be at least Rs. 3 Crore. The post-issue paid - up capital of the Company shall be Rs. 829.02 lakhs.

1. Other Requirements

- i. The post-issue paid up capital of the company shall be at least Rs. 3 crore.*

As on the date of Draft Prospectus i.e. May 19, 2016, the Post Issue Capital of our Company shall be Rs. 8.29 Crores which is in excess of Rs. 3 crore.

- ii. The company shall mandatorily facilitate trading in demat securities and enter into an agreement with both the depositories.*

Our Company has entered into the tripartite agreements with NSDL & CDSL along with our Registrar for facilitating trading in dematerialized mode.

- iii. Companies shall mandatorily have a website.*

Our Company has a website i.e. www.riddhitubes.com

2. Certificate from the applicant company / promoting companies stating the following:

- a. The Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).*

Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).

- b. There is no winding up petition against the company that has been accepted by a court.*

There is no winding up petition against our Company that has been accepted by a court or liquidator has been appointed.

- c. There is no change in the promoters of the Company in the preceding one year from date of filing application to BSE for listing on SME segment.*

There is no change in the promoter/s of our Company in the preceding one year from date of filing application to BSE for listing on SME segment.

DISCLOSURE

Neither the Company nor its Promoters, Group Companies, Relatives (as defined under Companies Act) of Promoters and Group Companies have been identified as willful defaulters by the Reserve Bank of India or any other Authority.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO 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, GUINNESS CORPORATE ADVISORS PRIVATE LIMITED, HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE

FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT PROSPECTUS, THE LEAD MERCHANT BANKER, GUINNESS CORPORATE ADVISORS PRIVATE LIMITED IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER, GUINNESS CORPORATE ADVISORS PRIVATE LIMITED HAS FURNISHED, A DUE DILIGENCE CERTIFICATE DATED MAY 19,2016 WHICH READS 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 THIS DRAFT PROSPECTUS PERTAINING TO THE SAID ISSUE;**
- 2) ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER,**

WE CONFIRM THAT:

- (A) THE PROSPECTUS FILED WITH THE BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**
- (B) ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**
- (C) THE DISCLOSURES MADE IN THE DRAFT PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, THE COMPANIES ACT, 2013 (TO THE EXTENT NOTIFIED), THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.**
- 3) WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.**
- 4) WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS.**
- 5) WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING OF THE PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT PROSPECTUS.**

- 6) WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT PROSPECTUS.
- 7) WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (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 THE STOCK EXCHANGE MENTIONED IN THE DRAFT 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 ALL THE SHARES SHALL BE ISSUED IN DEMATERIALIZED FORM IN COMPLIANCE WITH THE PROVISIONS OF SECTION 29 OF THE COMPANIES ACT, 2013 AND THE DEPOSITORIES ACT, 1996 AND THE REGULATIONS MADE THEREUNDER.
- 11) WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.
- 12) WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT PROSPECTUS:
 - (A) AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND
 - (B) AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.

- 13) WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE. 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 DRAFT PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.
- 16) WE ENCLOSE STATEMENT ON PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKER, AS PER FORMAT SPECIFIED BY THE BOARD THROUGH CIRCULAR.
- 17) WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS.

THE FILING OF THIS OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER SECTION 63 OR SECTION 68 OF THE COMPANIES ACT, 1956 (SECTION 34 OR SECTION 36 OF THE COMPANIES ACT, 2013) OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE OFFER DOCUMENT.

ADDITIONAL CONFIRMATIONS/ CERTIFICATION TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH OFFER DOCUMENT REGARDING SME EXCHANGE

- (1) WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE DRAFT 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 DRAFT 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 PROVISOR 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 DRAFT PROSPECTUS. – **NOT APPLICABLE**
- (6) WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 106P AND 106V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE.

Note: The filing of this Draft Prospectus does not, however, absolve our Company from any liabilities under section 34 and section 36 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 Draft 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, Ahmedabad in terms of Section 26 and 33 of the Companies Act, 2013.

Statement on Price Information of Past Issues handled by Guinness Corporate Advisors Private Limited (Formerly Known as Guinness Merchant Bankers Pvt. Ltd.):

Price information of past issues handled by Guinness Corporate Advisors Private Limited

Sr. No.	Issuer Name	Issue size (in cr.)	Issue price ()	Listing Date	Opening Price on listing date	+/- % change in closing price, [+/- % change in closing benchmark] - 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Satkar Finlease Limited	13.5	18	11.10.13	19.90	155.83%	73.89%	202.50%
						[-0.18%]	[+0.98%]	[+10.59%]
2	Polymac Thermoformers Limited	7.7	35	26.02.14	34.75	20.00%	72.71%	500.00%
						[+5.85%]	[+17.77%]	[+25.97%]
3	Tarini International Limited	16.31	41	26.06.14	42	-7.93%	-41.46%	-42.68%
						[+4.25%]	[+6.83%]	[+10.53%]
4	Oasis Tradelink Limited	6	30	14.07.14	35.90	-3.00%	12.50%	14.17%
						[+3.49%]	[+5.51%]	[+9.80%]
5	Encash Entertainment Limited	4.39	40	29.09.14	44.00	25.00%	177.63%	17.50%
						[+1.07%]	[+3.00%]	[+3.24%]
6	Naysaa Securities Limited	1.5	15	25.09.14	14.25	0.00%	0.00%	-13.33%
						[+1.08%]	[+3.92%]	[+6.51%]
7	VMV Holidays Limited	1.56	10	14.07.15	10.25	2.50%	-8.50%	-8.50%
						[-1.51%]	[-3.68%]	[-11.13%]
8	Gala Print City Limited	3.04	24	16.07.15	24.45	2.50%	0.00%	-2.92%
						[-1.33%]	[-5.62%]	[-12.73%]
9	P. B. Films Limited	5	10	22.09.15	9.50	-12.00%	-20.00%	-50.00%
						[+6.38%]	[+0.33%]	[-1.43%]
10	Nintec System Limited	1.88	10	18.04.2016	11.70	-	-	-

Note: The 30th , 90th, and 180th calendar days has been taken as listing date plus 29, 89, 179 calendar days respectively. Where the 30th day / 90th day / 180th day of a particular year falls on a BSE trading holiday, the immediately following trading day has been considered. Where the 30th day / 90th day / 180th of a particular year falls on the day when there is no trade in equity share of the Company , preceding trading day has been considered. BSE SENSEX has been considered as the benchmark index. We have taken the Issue price to calculate the % change in closing price as on 30th, 90th and 180th day.

Summary statement of price information of past issues handled by Guinness Corporate Advisors Private Limited

Financial Year	Total no. of IPOs	Total Funds raised (in cr.)	Nos. of IPOs trading at discount as on 30th calendar day from listing date			Nos. of IPOs trading at premium as on 30th calendar day from listing date			Nos. of IPOs trading at discount as on 180th calendar day from listing date			Nos. of IPOs trading at premium as on 180th calendar day from listing date		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
April 1, 2015 – date of filing of this DP	3	9.6	NA	NA	1	NA	NA	2	NA	1	2	NA	NA	NA
2014-15	4	28.2	NA	NA	2	NA	1	1	NA	1	1	NA	NA	2
2013-14	5	48.61	1	1	NA	1	1	1	2	NA	NA	3	NA	NA

Track records of past issues handled by the Guinness Corporate Advisors Private Limited

For details regarding the track record of the Guinness Corporate Advisors Private Limited, as specified under Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer to the website of Guinness Corporate Advisors Private Limited at www.16anna.com

Disclaimer Clause of BSE

BSE Limited (“BSE”) has given vide its letter dated [●], permission to this Company to use its name in this offer document as one of the stock exchanges on which this company’s securities are proposed to be listed on the SME Platform. BSE has scrutinized this offer document for its limited internal purpose of deciding on the matter 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 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 from our Company, Directors and the Lead Manager

Our Company, its Directors and the Lead Manager accept no responsibility for statements made otherwise than those contained in this Draft Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company’s instance and anyone placing reliance on any other source of information including our website www.riddhitubes.com would be doing so at his or her own risk.

CAUTION



The Lead Manager accepts no responsibility, save to the limited extent as provided in the MOU for Issue Management entered into among the Lead Manager and our Company dated April 18, 2016, the Underwriting Agreement April 18, 2016 entered into among the Underwriter and our Company and the Market Making Agreement dated April 18, 2016 entered into among the Lead Manager, Market Maker and our Company.

All information shall be made available by us 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 or at collection centers or elsewhere.

The Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in future engage, in investment banking transactions with our Company, affiliates or associates or third parties, 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, the Underwriter 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 Equity Shares of our Company.

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 the applicable laws in India and authorized to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under the 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, state industrial development corporations, Venture Capital Funds (VCFs) registered with SEBI, Insurance Companies registered with Insurance and Regulatory Development Authority, Provident Funds (subject to applicable law) with minimum corpus of Rs. 2,500 Lacs and pension funds with minimum corpus of Rs. 2,500 Lacs, and to permitted non residents including FIIs, eligible NRIs, multilateral and bilateral development financial institutions, foreign venture capital investors registered with SEBI and eligible foreign investors provided they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. This Draft Prospectus does not, however, constitute an offer to sell an invitation to subscribe to or purchase Equity Shares offered hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Prospectus comes is required to inform him or herself about and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Ahmedabad only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and this Draft Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been any change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

Disclaimer clause under rule 144A of the U.S. Securities Act

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United



States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to “qualified institutional buyers”, as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur. The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applicants may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. 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 is being filed with BSE SME Platform, P. J. Towers, Dalal Street, Fort, Mumbai – 400 001. The Draft Prospectus shall not be filed with SEBI, nor will SEBI issue any observation on the offer document in term of Reg. 106(M) (3). However, a copy of the Prospectus shall be filed with SEBI at The Regional Manager, Unit No: 002, Ground Floor, SAKAR I, Near Gandhigram Railway Station Opp. Nehru Bridge Ashram Road, Ahmedabad - 380 009.

A copy of the Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013, will be delivered to the RoC situated at ROC Bhavan, Opp Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013.

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 be made to SME Platform of BSE for obtaining permission for listing of the Equity Shares being offered and sold in the Issue on its SME Platform after the allotment in the Issue.

BSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

If the permission to deal in and for an official quotation of the Equity Shares on the SME Platform is not granted by BSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of the Prospectus. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges are taken within six Working Days of the Offer Closing Date. If our Company does not allot Equity Shares pursuant to the Offer within six Working Days from the Offer Closing Date or within such timeline as prescribed by SEBI, it shall repay without interest all monies received from applicant within the timelines prescribed under applicable laws, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period.

Consents

Consents in writing of: (a) the Directors, the Company Secretary and Compliance Officer, Chief Financial Officer, the Statutory Auditor, Peer Review Auditor; the Banker(s) to the Company; and (b) the Lead Manager, Underwriters, Market Makers, Bankers to the Issue, Registrar to the Issue, Legal Advisor to the Issue to act in their respective capacities, have been obtained and shall be filed along with a copy of the Prospectus with the RoC, as required under Sections 32 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

In accordance with the Companies Act and the SEBI (ICDR) Regulations, M/s C.P. Shah & Co, Chartered Accountants, have agreed to provide their written consent to include its report on statement of funds deployed as on April 15, 2016 dated April 15, 2016 and Statement of Tax Benefits dated February 22, 2016 relating to the possible

tax benefits, as applicable. M/s Devpura Navlakha & Co, Peer Review Auditors have agreed to provide their written consent to the include their report dated February 27, 2016 on restated financial statements and, which may be available to the Company and its shareholders, included in this Draft Prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of the Draft Prospectus.

Expert Opinion

Our Company has not obtained any expert opinion except as set forth below:

- The report of the Peer Reviewed Auditor on the Restated Financial Statements and Statutory Auditor on the Statement of Tax Benefits.

Public Issue Expenses

The Management estimates an expense for this Issue to be approximately Rs. 44.00 Lakhs which is 4.95% of the Issue Size. The expenses of this Issue include, among others, underwriting and issue management fees, market making fees, selling commission, printing and distribution expenses, legal fees, statutory advertisement expenses , registrar and listing fees. The estimated Issue expenses are as follows:

No.	Particulars	Amount (Rs.In Lacs)
1.	Issue management fees including fees and reimbursements of Market Making fees, selling commissions, brokerages, and payment to other intermediaries such as Legal Advisors, Registrars and other out of pocket expenses.	35.00
2.	Regulatory fees	2.00
3.	Other Expenses(marketing, printing stationery, advertisement, postage etc.)	7.00
Total		44.00

Details of Fees Payable

Particulars	Amount (Rs. In Lacs)	% of Total Issue Expenses	% of Total Issue Size
Issue management fees including fees and reimbursements of Market Making fees,Underwriting, selling commissions, brokerages, and payment to other intermediaries such as Legal Advisors, Registrars and other out of pocket expenses.	35.00	79.55	3.94
Regulatory fees	2.00	4.55	0.22
Other Expenses (marketing, printing stationery, advertisement, postage etc.)	7.00	15.91	0.79
Total	44.00	100.00	4.95

Fees Brokerage and Selling Commission Payable to Lead Manager to the Issue

The total fees payable to the Lead Manager will be as per the Engagement Letter from our Company and Lead Manager and Memorandum of Understanding signed with the Lead Manager, copy of which is available for inspection at the Registered Office of our Company.

Fees Payable to the Registrar to the Issue

The fees payable by the Company to the Registrar to the Issue will be as per the Memorandum of Understanding signed among our Company and Registrar to the Issue, copy of which is available for inspection at the Registered Office of our Company. 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 by the Company



to the Registrar to the Issue to enable them to send refund orders or allotment advice by registered post/ speed post/ under certificate of posting.

Fees Payable to Others

The total fees payable to the Legal Advisor, Auditor and Advertisers, etc. will be as per the terms of their respective engagement letters, if any

Underwriting Commission, Brokerage and Selling Commission

The underwriting commission and the selling commission for the Issue are as set out in the Underwriting Agreement amongst the Company and Underwriter. The underwriting commission shall be paid as set out in the Underwriting Agreement based on the Issue price and the amount underwritten in the manner mentioned on page 32 of this Draft Prospectus.

Commission and Brokerage paid on previous Issues of our Equity Shares

Since this is the Initial Public Offer of the Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since inception of the Company.

Capital Issue during the last three years

Riddhi Steel and Tube Limited and its Group Companies have not made any capital issue viz. initial public offering, rights issue or composite issue during the last three years.

Previous Public or Rights Issue

Except as stated in the chapter titled “*Capital Structure*” beginning on page 38 of this Draft Prospectus, we have not made any previous rights and public issues in India or abroad and we are an “Unlisted Company” in terms of the SEBI (ICDR) Regulations and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations.

Previous Issues of Equity Shares otherwise than for cash

Except as stated in the section titled “Capital Structure” on page 38 of this Draft Prospectus, we have not made any previous issues of shares for consideration otherwise than for cash.

Promise vis-à-vis performance

Our Company is an “Unlisted Company” in terms of the SEBI (ICDR) Regulations and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Therefore data regarding promise versus performance is not applicable on us.

Outstanding Debentures or Bonds and Redeemable Preference Shares and other Instruments

There are no outstanding debentures or bonds or redeemable preference shares and other instruments issued by the Company as on the date of this Draft Prospectus.

Stock Market Data for our Equity Shares

This being an Initial Public Offering of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange.

Investor Grievances and Redressal System



The Company has appointed Karvy Computershare Private Limited as the Registrar to the Issue, to handle the investor grievances in co-ordination with the Compliance Officer of the Company. All grievances relating to the present Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and name of bank and branch. The Company would monitor the work of the Registrar to ensure that the investor grievances are settled expeditiously and satisfactorily.

The Registrar to the Issue, namely, Karvy Computershare Private Limited, will handle investor's grievances pertaining to the Issue. A fortnightly status report of the complaints received and redressed by them would be forwarded to the Company. The Company would also be co-coordinating with the Registrar to the Issue in attending to the grievances to the investor.

The Company assures that the Board of Directors in respect of the complaints, if any, to be received shall adhere to the following schedules:

S. No.	Nature of Complaint	Time Table
1.	Non-receipt of refund	Within 7 days of receipt of complaint subject to production of satisfactory evidence
2.	Non receipt of share certificate/Demat Credit	Within 7 days of receipt of complaint subject to production of satisfactory evidence
3.	Any other complaint in relation to Public Issue	Within 7 days of receipt of complaint with all relevant details.

Redressal of investors' grievance is given top priority by the Company. The Committee oversees redressal of complaints of shareholders/investors and other important investor related matters. The Company has adequate arrangements for redressal of investor complaints as follows:

Share transfer/ dematerialization/ rematerialization are handled by professionally managed Registrar and Transfer Agent, appointed by the Company in terms of SEBI's direction for appointment of Common Agency for physical as well as demat shares. The Registrars are constantly monitored and supported by qualified and experienced personnel of the Company.

We have appointed Mr. Neel G. Sukhani, as Company Secretary and Compliance Officer and he may be contacted in case of any pre-issue or post-issue problems. he can be contacted at the following address:

Mr. Neel G. Sukhani,
Company Secretary & Compliance Officer,
83/84, Village Piplaj, Pirana Road, Aslali,
Ahmedabad- 382 427
Gujarat
Tel: +91-79-27543974
Email: info@riddhitubes.org
Website: www.riddhitubes.com

Investors can contact the Compliance Officer or the Registrar to the Issue or the Lead Manager in case of any pre-Issue or post-Issue related problems, such as non-receipt of letters of Allotment, credit of Allotted Equity Shares in the respective beneficiary accounts and refund orders

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 Draft Prospectus and hence there are no pending investor complaints as on the date of this Draft Prospectus.

Changes in Auditors

Our Company has not changed Auditors of our Company in the last three years.

Capitalization of reserves or profits during last five (5) years.

Our Company has not capitalized any reserve during last five (5) years.

Revaluation of assets during the last five (5) years

Our Company has not revalued its assets during the last five (5) years.

Section VIII - Issue Related Information

Terms of the Issue

The Equity Shares being offered are subject to the provisions of the Companies Act, SEBI (ICDR) Regulations, 2009 our Memorandum and Articles of Association, the terms of this Draft Prospectus, the Prospectus, the Application Form, the Revision Form, the Confirmation of Allocation Note and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of this Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorised to collect the application forms.

Ranking of Equity Shares

The Equity Shares being offered shall be subject to the provisions of the Companies Act, our Memorandum and Articles of Association and shall rank pari-passu in all respects with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please refer to the section titled “*Main Provisions of the Articles of Association of the Company*” on page 210 of this Draft Prospectus.

Authority for the Issue

This Issue has been authorized by a resolution of the Board passed at their meeting held on February 23, 2016 subject to the approval of shareholders through a special resolution to be passed pursuant to section 62 (1) (c) of the Companies Act, 2013. The shareholders have authorized the Issue by a special resolution in accordance with Section 62 (1) (c) of the Companies Act, 2013 passed at the EGM of the Company held on March 19, 2016.

Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association and the provisions of the SEBI Listing Regulations and shall be recommended by the Board of Directors and the shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act 2013.

For further details, please refer to the section titled “*Dividend Policy*” on page 113 of this Draft Prospectus.

Face Value and Issue Price

The Equity Shares having a face value of Rs. 10.00/- each are being offered in terms of this Draft Prospectus at the price of Rs. 38.00/- 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 of Issue Price*” on page 58 of this Draft Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation;
- Right of free transferability; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, terms of Listing Agreements with Stock Exchange and the Memorandum and Articles of Association of the Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien and / or consolidation / splitting, etc., please see the section titled "Main Provisions of Articles of Association of our company" beginning on page 210 of this Draft Prospectus.

Minimum Application Value; Market Lot and Trading Lot

In terms of section 29 of the Companies Act, 2013, the Equity Shares shall be allotted only in dematerialized form. In terms of existing SEBI ICDR Regulations, trading in the Equity Shares shall only be in dematerialized form for all investors.

The trading of the Equity Shares will happen in the minimum lot size of 3,000 Equity Shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012 and the same may be modified by BSE from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Issue will be done in multiples of 3,000 Equity Share subject to a minimum allotment of 3,000 Equity Shares to the successful applicants.

Minimum Number of Allottees

The minimum number of Allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective Allottees is less than 50, no allotment will be made pursuant to this Issue and the monies collected shall be refunded within 6 days of closure of Issue.

Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

Nomination Facility to Investor

In accordance with Section 72 of the Companies Act, 2013, the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Section 72 of the Companies Act, 2013, any person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

In case the allotment of Equity Shares is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

Period of Operation of Subscription List of Public Issue

Issue Opens On		●
Issue Closes On		●

Minimum Subscription

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. If the Issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriters within sixty days from the date of closure of the Issue, the Issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the Issuer becomes liable to pay the amount, the Issuer shall pay interest prescribed under section 40 of the Companies Act, 2013.

In accordance with Regulation 106 P (1) of the SEBI (ICDR) Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the offer through the Prospectus and shall not be restricted to the minimum subscription level.

In accordance with Regulation 106(R) 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).

Further, the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

Arrangements for Disposal of Odd Lots

The trading of the Equity Shares will happen in the minimum contract size of 3,000 shares. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum lot size allowed for trading on the SME platform of BSE.

Restrictions, If any, on Transfer and Transmission of Shares or Debentures and on their Consolidation or Splitting.

For a detailed description in respect of restrictions, if any, on transfer and transmission of shares and on their consolidation / splitting, please refer to the section titled “Main Provisions of the Articles of Association of the company” on Page. 210 of this Draft Prospectus.

Option to receive Equity Shares in Dematerialized Form

As per section 29 of Companies Act 2013, allotment of Equity Shares will be made only in dematerialised form.

Migration to Main Board

Our Company may migrate to the main board of BSE from SME platform of BSE on 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), 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

b) 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 shares offered through this Issue are proposed to be listed on the SME Platform of BSE (SME Exchange), wherein the Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Maker of the SME Exchange for a minimum period of three years from the date of listing on the SME Platform of BSE. For further details of the agreement entered into between the Company, the Lead Manager and the Market Maker please refer to “*General Information - Details of the Market Making Arrangement for this Issue*” on page 32 of this Draft Prospectus.

In accordance with the SEBI Circular No.CIR/MRD/DSA/31/2012 dated November 27, 2012; it has decided to make applicable limits on the upper side for the Market Maker 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 Rs.20 Crore	25%	24%
Rs.20 Crore to Rs.50 Crore	20%	19%
Rs.50 Crore to Rs.80 Crore	15%	14%
Above Rs.80 Crore	12%	11%

Further, the following shall apply to market makers while managing their inventory during the process of market making:

The exemption from threshold shall not be applicable for the first three months of market making and the market maker shall be required to provide two way quotes during this period irrespective of the level of holding.

Any initial holdings over and above such 5% of issue size would not be counted towards the inventory levels prescribed.

Apart from the above mandatory inventory, only those shares which have been acquired on the platform of the exchange during market making process shall be counted towards the Market Maker's threshold. Threshold limit will take into consideration, the inventory level across market makers.

The Market Maker shall give two way quotes till it reaches the upper limit threshold; thereafter it has the option to give only sell quotes. Two 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.

New Financial Instruments

The Issuer Company is not issuing any new financial instruments through this Issue.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Ahmedabad, India.

The Equity Shares have not been and will not be registered under the US Securities Act of 1933 (“**Securities Act**”) or any state securities laws in the United States, and may not be offered or sold within the United States (**as defined in Regulation S under the Securities Act**), except pursuant to an exemption from or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered or sold outside the United States in compliance with Regulations under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

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

Issue Structure

This Issue is being made in terms of Regulation 106(M)(1) of Chapter XB of SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, An issuer whose post-issue paid up capital do not exceed ten crores rupees shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the SME Platform of BSE). For further details regarding the salient features and terms of such an Issue please refer the section titled “Terms of the Issue” and “Issue Procedure” on page 164 and 171 of this Draft Prospectus.

Following is the Issue structure:

Public Issue of 23,40,000 Equity Shares of Rs. 10.00/- each (the “Equity Shares”) for cash at a price of Rs. 38.00 /- per Equity Share (including a Share premium of Rs. 28/- per Equity Share) aggregating to Rs. 889.20 Lacs (“the Issue”) by our Company.

The Issue comprises reservation of 1,26,000 Equity Shares for subscription by the designated Market Maker (“the Market Maker Reservation Portion”) and Net Issue to Public of 22,14,000 Equity Shares (“the Net Issue”).

Particulars of the Issue	Net Issue to Public*	Market Maker Reservation Portion
Number of Equity Shares available for allocation	22,14,000 Equity Shares	1,26,000 Equity Shares
Percentage of Issue Size available for allocation	94.62% of the Issue size	5.38% of the Issue size
Basis of Allotment	Proportionate subject to minimum allotment of 3,000 Equity Shares and further allotment in multiples of 3,000 Equity Shares each. For further details please refer to the section titled “ <i>Issue Procedure – Basis of Allotment</i> ” on page 179. of this Draft Prospectus.	Firm Allotment
Mode of Application	All the applicants shall make the application (Online or Physical) through ASBA Process	Through ASBA Process Only
Minimum Application Size	For QIB and NII: Such number of Equity Shares in multiples of 3000 Equity Shares such that the Application Value exceeds Rs. 2,00,000/- For Retail Individuals: 3,000 Equity Shares	1,26,000 Equity Shares
Maximum Application Size	For QIB and NII: Such number of equity shares in multiples of 3,000 Equity Shares such that the Application Size does not exceed 22,14,000 Equity Shares. For Retail Individuals: 3,000 Equity Shares	1,26,000 Equity Shares
Mode of Allotment	Dematerialized Form only	Dematerialized Form only
Trading Lot	3,000 Equity Shares	3,000 Equity Shares, However the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2009.
Terms of Payment	The Applicant shall have sufficient balance in the ASBA account at the time of submitting application and the amount will be blocked anytime within two days	

of the closure of the Issue.

*As per Regulation 43(4) of the SEBI (ICDR) Regulations, as amended, as present offer is a fixed price offer 'the Allocation' in 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.

Withdrawal of the Issue

The Company, in consultation with the LM, reserves the right not to proceed with the Issue at any time before the Issue Opening Date, without assigning any reason thereof. Notwithstanding the foregoing, the Issue is also subject to obtaining the following:

1. The final listing and trading approvals of BSE for listing of Equity Shares offered through this issue on its SME Platform, which the Company shall apply for after Allotment and,
2. The final ROC approval of the Prospectus after it is filed with the ROC.

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.

Issue Programme

Issue Opening Date	[•]
Issue Closing Date	[•]

Applications and any revisions to the same will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form except that on the Issue Closing Date applications will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time). Applications will be accepted only on *Working day i.e. all trading days of stock exchanges excluding Sunday and bank holidays as per SEBI circular No. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016.*

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 (the “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, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Regulations. The General Information Document has been updated to reflect the enactments and regulations, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchange and the Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and the Lead Manager would not be liable for any amendment, modification or change in applicable law, which may occur after the date of this Prospectus.

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.

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, the Company in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing.

In case of Non Institutional Applicants and Retail Individual Applicants, our Company would have a right to reject the Applications only on technical grounds.

Investors should note that according to section 29(1) of Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in dematerialized form. The Application Forms which do not have the details of the Applicant’s depository account including DP ID, Client ID, and PAN shall be treated as incomplete and liable to be rejected. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic application system of the stock exchanges by the Brokers (including sub-brokers) do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected. Applicants will not have the option of getting allotment of the Equity Shares in physical form. Applicants will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialized segment of the Stock Exchanges.

Applicants are required to ensure that the PAN (of the sole/ first Applicant) provided in the Application Form is exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held. In case of joint Applications, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders.

Application Form

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Prospectus. Upon completing and submitting the Application Form to the Bankers, the Applicant is deemed to have authorized our Company to make the necessary changes in the Prospectus and the Application Form as would be



required for filing the Prospectus with the RoC and as would be required by RoC after such filing, without prior or subsequent notice of such changes to the Applicant.

Also, please note that pursuant to SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, All Applicants shall mandatorily participate in the Issue only through the ASBA process.

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 applicants. Upon completing and submitting the Application Form for Applicants to the SCSB, the Applicant is deemed to have authorized our Company to make the necessary changes in the Prospectus and the Application as would be required for filing the Prospectus with the RoC and as would be required by RoC after such filing, without prior or subsequent notice of such changes to the Applicant.

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
NRIs, FVCIs, FIIs, their sub-accounts (other than sub-accounts which are foreign NRIs, FVCIs, FIIs, their sub-accounts (other than sub-accounts which are foreign basis	Blue

In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all Applicants shall mandatorily participate in the Offer only through the ASBA process.

Applicants must provide bank account details and authorisation to block funds in the relevant space provided in the Application Form and the Application Forms that do not contain such details are liable to be rejected.

Applicants are required to submit their applications only through any of the following Designated Intermediaries:

- i. an SCSB, with whom the bank account to be blocked, is maintained
- ii. a syndicate member (or sub-syndicate member)
- iii. a stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
- iv. a registrar to an issue and share transfer agent ('RTA')
- v. a depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity).

Applicants shall ensure that the Applications are made on Application Forms bearing the stamp of the Designated Intermediary, submitted at the Collection Centers only (except in case of electronic Application Forms) and the Application Forms not bearing such specified stamp are liable to be rejected.

Who Can Apply?

Persons eligible to invest under all applicable laws, rules, regulations and guidelines;

1. Indian nationals resident in India who are not incompetent to contract in single or joint names (not more than three) or in the names of minors as natural/legal guardian;
2. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
3. Companies, Corporate Bodies and Societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
4. Mutual Funds registered with SEBI;

5. Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
6. Indian Financial Institutions, Scheduled Commercial Banks, Regional Rural Banks, Co-operative Banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
7. FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB portion;
8. Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional applicant's category;
9. FPIs other than Category III foreign portfolio investor;
10. Category III foreign portfolio investors, which are foreign corporates or foreign individuals only under the Non Institutional Investors (NIIs) category;
11. Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
12. Venture Capital Funds registered with SEBI;
13. Foreign Venture Capital Investors registered with SEBI;
14. Eligible QFIs;
15. Multilateral and Bilateral Development Financial Institutions;
16. State Industrial Development Corporations;
17. Trusts/Societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
18. Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
19. Insurance Companies registered with Insurance Regulatory and Development Authority, India;
20. Provident Funds with minimum corpus of Rs.25 Crores and who are authorized under their constitution to hold and invest in equity shares;
21. Pension Funds with minimum corpus of Rs 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
22. 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;
23. Nominated Investor and Market Maker
24. Insurance funds set up and managed by army, navy or air force of the Union of India
25. Any other person eligible to apply in this Issue, under the laws, rules, regulation, guidelines and policies applicable to them and under Indian laws.

As per the existing regulations, OCBs cannot participate in this Issue.

Applications not to be made by:

1. Minors (except through their Guardians)
2. Partnership firms or their nominations
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

The information below is given for the benefit of the applicants. Our Company and the Lead Manager do not accept responsibility for the completeness and accuracy of the information stated. Our Company and the Lead Manager is 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 does not exceed the limits prescribed under laws or regulations.

Availability of Prospectus and Application Forms

The Memorandum Form 2A containing the salient features of the Prospectus together with the Application Forms and copies of the Prospectus may be obtained from the Registered office of our Company, Lead Manager to the Issue, Registrar to the Issue and the collection centres of the Bankers 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

Option to subscribe in the Issue

- a. As per Section 29 of the Companies Act, 2013, allotment of Equity Shares will in dematerialized form only.
- b. The equity shares, on allotment, shall be traded on Stock Exchange in demat segment only.
- c. A single application from any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

Participation by Associates of LM

The LM shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the LM may subscribe to or purchase Equity Shares in the Issue, where the allotment is on a proportionate basis.

Application by Indian Public Including Eligible NRI's

Application must be made only in the names of Individuals, Limited Companies or Statutory Corporations/ Institutions and not in the names of Minors (except through their Legal Guardians), Foreign Nationals, Non Residents (except for those applying on non-repatriation), Trusts (unless the Trust is registered under the Societies Registration Act, 1860 or any other applicable Trust laws and is authorized under its constitution to hold shares and debentures in a Company), Hindu Undivided Families, 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 securities exceeding the number of securities offered to the public.

Eligible NRIs may obtain copies of Application Form from the Designated Intermediaries. Eligible NRI Applicants make application on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External (“NRE”) accounts, or Foreign Currency Non- Resident (“FCNR”) ASBA Accounts, and eligible NRI Applicants make application on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary (“NRO”) accounts for the full Application Amount, at the time of the submission of the Application Form.

Eligible NRIs Applicants make application on non-repatriation basis are advised to use the Application Form for residents (white in colour).

Eligible NRIs Applicants make application on a repatriation basis are advised to use the Application Form meant for Non-Residents (blue in colour).

Application by Mutual Funds

As per the current regulations, the following restrictions are applicable for investments by mutual funds:

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any Company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any Company's paid up share capital carrying voting rights.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

Applications by FPIS, FIIS AND QFIS

On January 7, 2014, SEBI notified the SEBI FPI Regulations pursuant to which the existing classes of portfolio investors namely 'foreign institutional investors' and 'qualified foreign investors' will be subsumed under a new category namely 'foreign portfolio investors' or 'FPIs'. RBI on March 13, 2014 amended the FEMA Regulations and laid down conditions and requirements with respect to investment by FPIs in Indian companies.

In terms of the SEBI FPI Regulations, an FII who holds a valid certificate of registration from SEBI shall be deemed to be a registered FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. Accordingly, such FIIs can participate in this Issue in accordance with Schedule 2 of the FEMA Regulations. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations. Further, a QFI can continue to buy, sell or otherwise deal in securities until January 6, 2015 or until the QFI obtains a certificate of registration as FPI, whichever is earlier. Such QFIs shall be eligible to participate in this Issue in accordance with Schedule 8 of the FEMA Regulations and are required to Apply under the Non-Institutional Applicants category.

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) is not permitted to exceed 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. As of now, in accordance with the foreign investment limits applicable to us the total foreign investment including FII investment cannot exceed the sectoral cap applicable to us (being 100% of our total post Issue paid-up capital). Further, the existing individual and aggregate investment limits for QFIs in an Indian company are 5% and 10% of the paid up capital of an Indian company, respectively.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to

persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

Applications by SEBI registered Venture Capital Funds and Foreign Venture Capital Investors

As per the current regulations, the following restrictions are applicable for SEBI Registered Venture Capital Funds and Foreign Venture Capital Investors: The SEBI (Venture Capital) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI. Accordingly, whilst the holding by any individual venture capital fund registered with SEBI in one Company should not exceed 25% of the corpus of the venture capital fund, a Foreign Venture Capital Investor can invest its entire funds committed for investments into India in one Company. Further, Venture Capital Funds and Foreign Venture Capital Investors can invest only up to 33.33% of the investible funds by way of subscription to an initial public offer.

Applications by Limited Liability Partnerships

In case of applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 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 the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment Scheme) (5th Amendment) Regulations, 2013, as amended (the "IRDA Investment Regulations"), are broadly set forth below:

- a) equity shares of a company: the least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- b) the entire group of the investee company: the least of 15% of the respective fund in case of a life insurer or a general insurer or reinsurer or 15% of investment assets in all companies belonging to the group; and
- c) The industry sector in which the investee company operates: the least of 15% of the respective fund in case of a life insurer or a general insurer or reinsurer or 15% of investment assets.

In addition, the IRDA partially amended the exposure limits applicable to investments in public limited companies in the infrastructure and housing sectors, i.e. December 26, 2008, providing, among other things, that the exposure of an insurer to an infrastructure company may be increased to not more than 20%, provided that in case of equity investment, a dividend of not less than 4% including bonus should have been declared for at least five preceding years. This limit of 20% would be combined for debt and equity taken together, without sub ceilings.

Further, investments in equity including preference shares and the convertible part of debentures shall not exceed 50% of the exposure norms specified under the IRDA Investment Regulations.

Application by Provident Funds/ Pension Funds

In case of applications made by provident funds/pension funds, subject to applicable laws, with minimum corpus of Rs.2,500 Lacs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof.

Application under Power of Attorney

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, Mutual Funds, insurance companies and provident funds with minimum corpus of Rs.25 Crores (subject to applicable law) and pension funds with a minimum corpus of Rs. 25 Crores a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged with the Application Form. Failing this, 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 addition to the above, certain additional documents are required to be submitted by the following entities:

(a). With respect to applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.

(b). With respect to applications by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged with the Application Form as applicable. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.

(c). With respect to applications made by provident funds with minimum corpus of Rs.25 Crores (subject to applicable law) and pension funds with a minimum corpus of Rs.25 Crores, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject such application, in whole or in part, in either case without assigning any reasons thereof.

Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that our Company, the lead manager may deem fit.

Our Company, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Issue that, for the purpose of printing particulars and mailing of the Allotment Advice / CANs / letters notifying the unblocking of the bank accounts of ASBA applicants, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the application). In such cases, the Registrar to the Issue shall use Demographic Details as given on the Application Form instead of those obtained from the Depositories.

The above information is given for the benefit of the Applicants. The Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of 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.

Maximum and Minimum Application Size

(a) For Retail Individual Applicants

The Application must be for a minimum of 3,000 Equity Shares and in multiples of 3,000 Equity Share 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.

(b) For Other Applicants (Non Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares such that the Application Amount exceeds Rs. 200,000 and in multiples of 3,000 Equity Shares thereafter. An Application cannot be submitted for



more than the Issue size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB or Non Institution Applicant cannot withdraw or lower its Application at any stage of Issue.

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.**

Information for the Applicants:

- a) Our Company will file the Prospectus with the RoC at least 3 (three) days before the Issue Opening Date.
- b) The LM will circulate copies of the Prospectus along with the Application Form to potential investors.
- c) Any investor (who is eligible to invest in our Equity Shares) who would like to obtain the Prospectus and/ or the Application Form can obtain the same from our Registered/Corporate Office or from the registered office of the LM.
- d) Applicants who are interested in subscribing for the Equity Shares should approach the LM or their authorized agent(s) to register their Applications.
- e) Applications made in the name of Minors and/or their nominees shall not be accepted.

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 and acknowledge by the Designated Intermediary.

Applicant's Depository Account and Bank Details

Please note that, providing bank account details in the space provided in the application form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Applicants including mailing of the Allocation 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.

Procedure and Time Schedule for Transfer of Equity Shares

The Issue will be conducted through the "Fixed Price Method" pursuant to which the Designated Intermediary will accept Applications for the Equity Shares during the Issue Period. The Issue Period will commence on [●] and expire on [●]. Following the expiration of the Issue Period, our Company, in consultation with the Lead Manager, will determine the basis of allotment and entitlement to allotment based on the applications received and subject to the confirmation by the Stock Exchanges. Successful Applicants will be provided with a confirmation of their allocation for the Equity Shares within a prescribed time. The SEBI (ICDR) Regulations, 2009 require our Company to complete the allotment to successful Applicants within 4 days of the expiration of the Issue Period. The Equity Shares will then be credited and allotted to the investors demat accounts maintained with the relevant depository participant. Upon approval by the Stock Exchanges, the Equity Shares will be listed and trading will commence.

Payment Instructions



All Applicants are required to use the ASBA facility to make payment.

Basis of Allotment

Allotment will be made in consultation with BSE Limited (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of shares applied for).
2. The number of shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. total number of shares applied for into the inverse of the over subscription ratio).
3. For applications where the proportionate allotment works out to less than 3,000 equity shares the allotment will be made as follows:
 - a) Each successful applicant shall be allotted 3,000 Equity Shares; and
 - b) The successful applicants out of the total applicants for that category shall be determined by the drawal of lots in such a manner that the total number of shares allotted in that category is equal to the number of shares worked out as per (2) above.
4. If the proportionate allotment to an applicant works out to a number that is not a multiple of 3,000 equity shares, the number in excess of the multiple of 3,000 would be rounded off to the nearest multiple of 3,000, subject to minimum allotment of 3,000 Equity Share.
5. 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 3,000 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, up to 110% of the size of the offer specified under the Capital Structure mentioned in this Prospectus.
6. The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for small individual applicants as described below:
 - a) A minimum of 50% of the net offer of shares to the Public shall initially be made available for allotment to retail individual investors as the case may be.
 - b) The balance net offer of shares to the public shall be made available for allotment to a) individual applicants other than retails individual investors and b) other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.
 - c) The unsubscribed portion of the net offer to any one of the categories specified in (a) or (b) shall/may be made available for allocation to applicants in the other category, if so required.

As per Regulation 43 (4) of SEBI (ICDR) Regulations, 2009 as amended, if the retail individual investor category is entitled to more than fifty per cent on proportionate basis, the retail individual investors shall be allocated that higher percentage.

'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 BSE.

The Executive Director / Managing Director of BSE - the Designated Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2009.

As per the RBI regulations, OCBs are not permitted to participate in the Issue.

There is no reservation for Non Residents, NRIs, FIIs and foreign venture capital funds and all Non Residents, NRI, FII and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.

Terms of Payment / Payment Instructions

The entire Issue price of Rs. 38/- 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.

- All Applicants are required to make use ASBA for applying in the Issue
- Application Amount cannot be paid in cash, through money order, cheque or through postal order or through stock invest.
- Applicants may submit the Application Form in physical mode to the Designated Intermediaries.
- Applicants must 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, will not be accepted.
- Applicants should ensure that the Application Form is also signed by the ASBA Account holder(s) if the Applicant is not the ASBA Account holder;
- Applicants shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.
- From one ASBA Account, a maximum of five Applications can be submitted.
- Applicants 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.
- Upon receipt of the 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.
- 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 and may upload the details on the Stock Exchange Platform.
- 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.
- 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.
- The Application Amount may remain blocked in the aforesaid ASBA Account until finalisation 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.
- SCSBs applying in the Offer must apply through an ASBA Account maintained with any other SCSB; else their Applications are liable to be rejected.

Unblocking of ASBA Account

- a. Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue 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 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 Applications, if any, along with reasons for rejection and details of withdrawn or unsuccessful Applications, 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.

- c. In the event of withdrawal or rejection of the Application Form and for unsuccessful Applications, the Registrar to the Issue may give instructions to the SCSB to unblock the Application Amount in the relevant ASBA Account within six Working Days of the Issue Closing Date

Electronic Registration of Applications

1. The Designated Intermediary will register the Applications using the on-line facilities of the Stock Exchanges. There will be at least one on-line connectivity facility in each city, where a stock exchange is located in India and where Applications are being accepted. The Lead Manager, our Company and the Registrar are not responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the Applications accepted by the Designated Intermediary, (ii) the Applications uploaded by the Designated Intermediary, (iii) the Applications accepted but not uploaded by the Designated Intermediary or (iv) Applications accepted and uploaded without blocking funds.
2. The Designated Intermediary shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the Applications accepted by the Designated Intermediary, (ii) the Applications uploaded by the Designated Intermediary, (iii) the Applications accepted but not uploaded by the Designated Intermediary and (iv) Applications accepted and uploaded without blocking funds. It shall be presumed that for Applications uploaded by the Designated Intermediary, the full Application Amount has been blocked.
3. In case of apparent data entry error either by the Designated Intermediary in entering the Application Form number in their respective schedules other things remaining unchanged, the Application Form may be considered as valid and such exceptions may be recorded in minutes of the meeting submitted to Stock Exchange(s).
4. The Designated Intermediary will undertake modification of selected fields in the Application details already uploaded within before 1.00 p.m. of the next Working Day from the Issue Closing Date.
5. The Stock Exchanges will offer an electronic facility for registering Applications for the Issue. This facility will be available with the Designated Intermediary and their authorized agents during the Issue Period. The Designated Branches or the Agents of the Designated Intermediary 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 on-line facilities on a regular basis. On the Issue Closing Date, the Designated Intermediary shall upload the Applications till such time as may be permitted by the Stock Exchanges. This information will be available with the Lead Manager on a regular basis. Applicants are cautioned that a high inflow of high volumes on the last day of the Issue Period may lead to some Applications received on the last day not being uploaded and such Applications will not be considered for allocation.
6. At the time of registering each Application submitted by an Applicant, Designated Intermediary shall enter the following details of the investor in the on-line system, as applicable:
 - 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;
 - Numbers of Equity Shares Applied for;
 - Location 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

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 Application Form number which shall be system generated.

7. The Designated intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively. The registration of the Application by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
8. Such acknowledgement will be non-negotiable and by itself will not create any obligation of any kind.
9. In case of QIB Applicants, the Lead Manager has the right to accept the Application or reject it. However, the rejection should be made at the time of receiving the Application and only after assigning a reason for such rejection in writing. In case on Non-Institutional Applicants and Retail Individual Applicants, Applications would be rejected on the technical grounds.
10. 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.
11. Only Applications that are uploaded on the online IPO system of the Stock Exchanges shall be considered for allocation/Allotment. The Designated Intermediary will be given time till 1.00 p.m. on the next working day after the Issue Closing Date to verify the PAN, DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar will receive this data from the Stock Exchanges 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.

General Instructions

Do's:

- Check if you are eligible to apply as per the terms of this Prospectus and under applicable law, rules, regulations, guidelines and approvals;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about the PAN, DP ID and Client ID are correct as Allotment of Equity Shares will be in the dematerialized form only;
- Each of the Applicants should mention their Permanent Account Number (PAN) allotted under the Income Tax Act, 1961;
- Ensure that the Demographic Details (as defined herein below) are updated, true and correct in all respects;
- Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant.
- Ensure that 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 Designated Intermediary;
- Submit revised Applications to the same Designated Intermediary, through whom the original Application was placed and obtain a revised acknowledgment;
- Ensure that in case of Applications under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;
- Ensure that you have mentioned the correct ASBA Account number in the Application Form;
- Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the

submission of your Application Form; and

Don'ts:

- Do not apply for lower than the minimum Application size;
- Do not apply at a Price Different from the Price Mentioned herein or in the Application Form;
- Do not apply on another Application Form after you have submitted an Application to the Bankers of the Issue.
- Do not pay the Application Price in cash, by money order or by cheques or by demand drafts or by postal order or by stock invest;
- Do not send Application Forms by post; instead submit the same to the Designated Intermediary.
- Do not submit Application Form that does not have the stamp of the relevant Designated Intermediary;
- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue Size and/ or investment limit or maximum number of 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 the Application without ensuring that funds equivalent to the entire Application Amount are blocked in the relevant ASBA Account;

Other Instructions

Joint Applications in the case of Individuals

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

Multiple Applications

An Applicant should submit only one Application (and not more than one) for the total number of Equity Shares required. Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same.

In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

- i. All applications are electronically strung on first name, address (1st line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband's name to determine if they are multiple applications
- ii. Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.
- iii. Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

In cases where there are more than 20 valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of "know your client" norms by the depositories. The

Company reserves the right to reject, in our absolute discretion, all or any multiple Applications in any or all categories.

Permanent Account Number or PAN

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number (“PAN”) to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 2, 2007. Each of the Applicants should mention his/her PAN allotted under the IT Act. **Applications without this information will be considered incomplete and are liable to be rejected.** It is to be specifically noted that Applicants should not submit the GIR number instead of the PAN, as the Application is liable to be rejected on this ground.

Right to Reject Applications

In case of QIB Applicants, the Company in consultation with the LM may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

Grounds for Rejections

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- Amount paid does not tally with the amount payable for the highest value of Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Application Form;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than specified for that category of investors;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of 3,000;
- Category not ticked;
- Multiple Applications as defined in this Prospectus;
- In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Inadequate funds in the bank account to block the Application Amount specified in the Application Form at the time of blocking such Application Amount in the bank account;
- Applications by Applicants not submitted through ASBA process;
- Applications accompanied by Stock invest/ money order/ postal order/ cash;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant’s identity (DP ID) and the beneficiary’s account number;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US persons other than in reliance on Regulation S or “qualified institutional buyers” as defined in Rule 144A under the Securities Act;
- Applications not duly signed by the sole;
- Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;



- Applications that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Applications or revisions thereof by QIB Applicants, Non Institutional Applicants where the Application Amount is in excess of Rs. 2,00,000, received after 3.00 pm on the Issue Closing Date;

Applicants 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 exchanges by the SCSBs do not match with PAN, the DP id and client id available in the depository database, the application form is liable to be rejected.

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 of the said Act.”**

Signing of Underwriting Agreement

Vide an Underwriting Agreement dated April 18, 2016 this issue is 100% Underwritten.

Filing of the Prospectus with the ROC

The Company will file a copy of the Prospectus with the RoC in terms of 32 of the Companies Act, 2013.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, 2013 the Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the Issue Price.

Issuance of a Confirmation of Allocation Note (“CAN”)

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the Lead Manager or Registrar to the Issue shall send to the Brokers a list of their Applicants who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Applicants who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Applicant.

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.

(c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.

(d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) credit of shares to the successful Applicants Depository Account will be completed within six Working Days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Applicant's depository account is completed within five Working Days from the Issue Close Date.

Disposal of Applications 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 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 are taken within 6 working days of closure of the issue.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

- 1) Allotment of Equity Shares shall be made within 3 (three) working days of the Issue Closing Date;
- 2) Giving of Instructions for refund by unblocking of amount via ASBA not later than 4(four) working days of the Issue Closing Date, would be ensured; and
- 3) If such money is not repaid within eight days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

Undertakings by our Company

The Company undertakes the following:

- 1) That the complaints received in respect of this 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 closure of the Issue;
- 3) That funds required for making refund(to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Issue by the Issuer;
- 4) That no further issue of Equity Shares shall be made till the Equity Shares offered through this Prospectus are listed or until the Application monies are unblocked on account of non listing, under subscription etc.
- 5) That adequate arrangements shall be made till the securities offered through this Offer Document are listed or till the application monies are unblocked on account of non-listing, under subscription, etc.;



- 6) That adequate arrangement shall be made to collect all Application Forms by Applicants.
- 7) That the promoters' contribution in full, wherever required, shall be brought in advance before the Issue opens for public subscription and the balance, if any, shall be brought in pro rata basis before the calls are made on public;

Utilization of Issue Proceeds

Our Board certifies that:

- 1) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act, 2013;
- 2) Details of all monies utilized out of the Issue shall be disclosed under an appropriate head in our balance sheet indicating the purpose for which such monies have been utilized;
- 3) Details of all unutilized monies out of the Issue, if any shall be disclosed under the appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested and
- 4) Our Company shall comply with the requirements SEBI Listing Regulations in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.

Our Company declare that all monies received out of the Public 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.

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.

Withdrawal of the Issue

Our Company in consultation with the LM reserves the right not to proceed with the Issue at anytime, including after the Issue Closing Date but before the Board meeting for Allotment, without assigning any reason. Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which the Company shall apply for after Allotment.

In 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 Stock Exchanges where the Equity Shares are proposed to be listed shall also be informed promptly.

If the Company withdraws the Issue after the Application Closing Date, the Company will be required to file a fresh Offer Document with the Stock Exchange.

Equity Shares in Dematerialised Form with NSDL or CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- (a) Agreement dated February 23, 2016 between NSDL, the Company and the Registrar to the Issue;
- (b) Agreement dated March 07, 2016 between CDSL, the Company and the Registrar to the Issue;

The Company's shares bear an ISIN No. INE367U01013.

• An Applicant applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Application.



- The Applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's identification number) appearing in the Application Form or Revision Form.
- Allotment to a successful Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant.
- Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.
- The Applicant is responsible for the correctness of his or her Demographic Details given in the Application Form vis à vis those with his or her Depository Participant.
- Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed have electronic connectivity with CDSL and NSDL.
- The trading of the Equity Shares of the Company would be in dematerialized form only for all investors.

Communications

All future communications in connection with the Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Banker to the Issue where the Application was submitted and cheque or draft number and issuing bank 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.

Part B GID

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), 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 Prospectus before investing in the Issue.

Section 1: Purpose of the General Information Document (GID)

This document is applicable to the public issues undertaken through 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 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 “Definitions and Abbreviations” on page 2 of this Prospectus.

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) or the Applicable Regulations of Chapter XB of the SEBI ICDR Regulations, 2009, as amended. For details of compliance with the eligibility requirements by the Issuer Applicants may refer to the Prospectus.

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, 2013 and the Companies Act, 1956 to the extent 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.

For details in relation to the above Applicants may refer to the Prospectus.

a. 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 the Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the Issue Opening Date, in case of an IPO and at least one Working Day before the 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(s).

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:

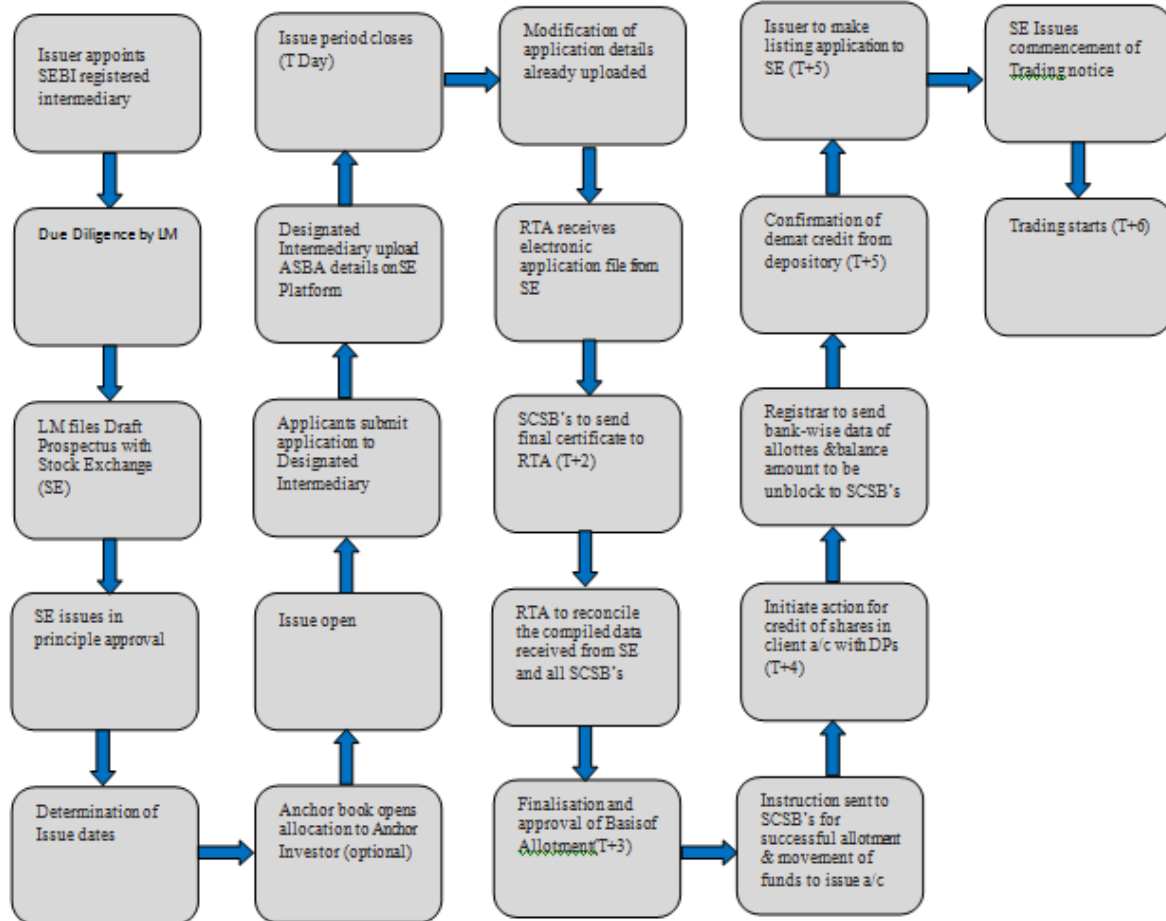
(a) If the Paid up Capital of the Company is likely to increase above Rs. 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), the Company shall apply to Stock Exchange for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.

Or

(b) If the Paid up Capital of the company is more than 10 crores and upto 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 Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

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 Applicants, such as NRIs, FIIs/FPIs, QFIs 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);
- Applications belonging to an account for the benefit of a minor (under guardianship);
- Hindu Undivided Families or HUFs, in the individual name of the *Karta*. The Applicant should specify that the Application is being made in the name of the HUF in the Application Form as follows: "Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*". Applications by HUFs may be considered at par with Applications from individuals;
- Companies, corporate bodies and societies registered under applicable law in India and authorised to invest in equity shares;
- QIBs;
- NRIs on a repatriation basis or on a non-repatriation basis subject to applicable law ;
- Qualified Foreign Investors subject to applicable law;
- Indian Financial Institutions, regional rural banks, co-operative banks (subject to RBI regulations and

- the SEBI ICDR Regulations, 2009 and other laws, as applicable);
- FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or foreign individual, applying under the QIBs category;
 - Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals only under the Non Institutional Investors (NIIs) category;
 - FPIs other than Category III Foreign Portfolio Investors applying under the QIBs category;
 - FPIs which are Category III Foreign Portfolio Investors, applying under the NIIs category;
 - Trusts/societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares;
 - Limited liability partnerships registered under the Limited Liability Partnership Act, 2008; and
 - Any other person eligible to apply in the Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws.
 - As per the existing regulations, OCBs are not allowed to participate in an Issue.

Section 4: Applying in the Issue

Fixed Price Issue: Applicants should only use the specified Application Form either bearing the stamp of Designated Intermediary as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the Branches of Collection Banks or Designated Branches of the SCSBs and at the registered office of the Issuer. 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 form
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 applying under the QIB), FPIs, QFIs, on a repatriation basis	Blue

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 rematerialised subsequent to allotment.

4.1 Instructions for filing the 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 the 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:

TEAR HERE

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**

FIXED PRICE GME ISSUE
INE0000000000

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/CSB BRANCH STAMP & CODE	1. PAN OF SOLE / FIRST BIDDER

BANK BRANCH SERIAL NO.	SCSB SERIAL NO.	

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS	4. INVESTOR STATUS																																
<input type="checkbox"/> NSDL <input type="checkbox"/> CDSL	<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 Indian- 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																																
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) <small>(Bid must be in multiples of Bid Lot as advertised)</small></th> <th colspan="4">Price per Equity Share (₹) "Cut-off" <small>(Price in multiples of ₹ 2/- only) (In Figures)</small></th> <th rowspan="2">"Cut-off" Please tick</th> </tr> <tr> <th>Bid Price</th> <th>Retail Discount</th> <th>Net Price</th> <th></th> </tr> </thead> <tbody> <tr> <td>Option 1</td> <td>_____</td> <td>_____</td> <td>_____</td> <td>_____</td> <td>_____</td> <td><input type="checkbox"/></td> </tr> <tr> <td>(OR) Option 2</td> <td>_____</td> <td>_____</td> <td>_____</td> <td>_____</td> <td>_____</td> <td><input type="checkbox"/></td> </tr> <tr> <td>(OR) Option 3</td> <td>_____</td> <td>_____</td> <td>_____</td> <td>_____</td> <td>_____</td> <td><input type="checkbox"/></td> </tr> </tbody> </table>	Bid Options	No. of Equity Shares Bid (In Figures) <small>(Bid must be in multiples of Bid Lot as advertised)</small>	Price per Equity Share (₹) "Cut-off" <small>(Price in multiples of ₹ 2/- only) (In Figures)</small>				"Cut-off" Please tick	Bid Price	Retail Discount	Net Price		Option 1	_____	_____	_____	_____	_____	<input type="checkbox"/>	(OR) Option 2	_____	_____	_____	_____	_____	<input type="checkbox"/>	(OR) Option 3	_____	_____	_____	_____	_____	<input type="checkbox"/>	5. CATEGORY <input type="checkbox"/> Retail Investor Bidder <input type="checkbox"/> Non-Institutional Bidder <input type="checkbox"/> QIB
Bid Options			No. of Equity Shares Bid (In Figures) <small>(Bid must be in multiples of Bid Lot as advertised)</small>	Price per Equity Share (₹) "Cut-off" <small>(Price in multiples of ₹ 2/- only) (In Figures)</small>				"Cut-off" Please tick																									
	Bid Price	Retail Discount		Net Price																													
Option 1	_____	_____	_____	_____	_____	<input type="checkbox"/>																											
(OR) Option 2	_____	_____	_____	_____	_____	<input type="checkbox"/>																											
(OR) Option 3	_____	_____	_____	_____	_____	<input type="checkbox"/>																											

7. PAYMENT DETAILS	PAYMENT OPTION : FULL PAYMENT <input type="checkbox"/> PART PAYMENT <input type="checkbox"/>
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 ANNOUNCEMENT 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) <small>(AS PER BANK RECORDS)</small>	BROKER / SCSE / 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) _____	

PLEASE FILL IN BLOCK LETTERS

TEAR HERE

LOGO **XYZ LIMITED INITIAL PUBLIC ISSUE - R**

Acknowledgement Slip for Broker/SCSB/DP/RTA

Bid cum Application Form No. _____

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 _____	

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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> </tbody> </table>		Option 1	Option 2	Option 3	No. of Equity Shares	_____	_____	_____	Bid Price	_____	_____	_____	Amount Paid (₹)	_____	_____	_____	Stamp & Signature of Broker / SCSB / DP / RTA	Name of Sole / First Bidder _____
	Option 1	Option 2	Option 3																
No. of Equity Shares	_____	_____	_____																
Bid Price	_____	_____	_____																
Amount Paid (₹)	_____	_____	_____																
ASBA Bank A/c No. _____																			
Bank & Branch _____																			
			Acknowledgement Slip for Bidder																
			Bid cum Application Form No. _____																

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COMMON BID CUM APPLICATION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - NR	For Eligible NRI, FI, FVCI, applying on Restriction Basis			
LOGO	TO, THE BOARD OF DIRECTORS XYZ LIMITED	Bid cum Application Form No. _____			
	Address : _____ Contact Details : _____ CIN No. _____				
	FIXED PRICE OME ISSUE INE0000000000				
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		BROKER/SCSB/DP/RTA STAMP & CODE			
BANK BRANCH SERIAL NO.		SCSB SERIAL NO.			
2. PAN OF SOLE / FIRST BIDDER					

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					
4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")					
Bid Options	No. of Equity Shares Bid (In Figures) <small>(Bid must be in multiples of Bid Lot as advertised)</small>	Price per Equity Share (₹) "Cut-off" <small>(Price in multiples of ₹ 0.05) (In Figures)</small>			5. CATEGORY
		Bid Price	Retail Discount	Net Price	
Option 1	_____	_____	_____	_____	<input type="checkbox"/> Non-Institutional Bidder
(OR) Option 2	_____	_____	_____	_____	<input type="checkbox"/> QIB
(OR) Option 3	_____	_____	_____	_____	
6. Investor Status					
<input type="checkbox"/> Non-Resident Indian (Repatriation Basis)		NRI			
<input type="checkbox"/> Foreign Institutional Investor		FI			
<input type="checkbox"/> Foreign Venture Capital Investor		FVC			
<input type="checkbox"/> FI Sub Account Corporate/Individual		FI SA			
<input type="checkbox"/> Others (Please Specify)		OTH			
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 APPLICABLE AGREED DIRECTION AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES/CIPI AND HEREBY AGREE AND CONFIRM THE SIGNERS 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)	
Date : _____		I/We authorize the SCSB to do all acts as are necessary to make the Application in the line			
		1) _____			
		2) _____			
		3) _____			

TEAR HERE

LOGO	XYZ LIMITED	Acknowledgement Slip for Broker/SCSB/DP/RTA	Bid cum Application Form No. _____			
	INITIAL PUBLIC ISSUE - NR		PAN of Sole / First Bidder			
DPID / CLID	_____	Bank & Branch	Stamp & Signature of SCSB Branch			
Amount paid (₹ in figures)	_____	ASBA Bank A/c No.	_____			
ASBA Bank A/c No.	_____	Received from Mr./Ms.				
Telephone / Mobile	_____	Email				
TEAR HERE						
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

- (a) Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.
- (b) **Mandatory Fields:** Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/mobile number fields are optional. Applicants should note that the contact

details mentioned in the 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, 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 Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders. All payments may be made out in favor of the Applicant whose name appears in the Application Form or the Revision Form and 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.

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.”

- (d) **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 Depository Participant.

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.

i. Field Number 4: Application details

- (a) The Issuer mentions Price in the draft Prospectus and in prospectus registered with RoC.
- (b) Minimum And Maximum Application Size

- i. For Retail Individual Applicants

The Application must be for a minimum of 3,000 Equity Shares. As the Application Price payable by the Retail Individual Applicants cannot exceed Rs. 2,00,000, they can make Application for only minimum Application size i.e. for 3,000 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. 200,000 and in multiples of 3,000 Equity Shares thereafter. An Application cannot be submitted for more than the Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB and a NII Applicant cannot withdraw or lower its quantity or price in its application once the application is submitted and is required to pay 100% Margin upon submission of Application. In case of revision in Applications, the Non Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than 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.

- (c) **Multiple Applications:** An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or to different Collection Bank(s) or SCSB 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 FPI 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. Applications 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 Applications clearly indicate the scheme for which the Application has been made.
 - iii. Applications by Mutual Funds, and sub-accounts of FPIs (or FPIs and its subaccounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.
- ii. **Field Number 5: Category of applicants**
- i. 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 RII's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).
 - ii. An Issuer can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, applicants may refer to the Prospectus.
 - iii. 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) The full Application Amount (net of any Discount, as applicable) shall be blocked based on the authorisation provided in the Application Form. If the Discount is applicable in the Issue, the RIIs should indicate the full amount in the Application Form and 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 Applicants can participate in the Offer only through the ASBA mechanism
- (c) Application Amount cannot be paid in cash, through money order or through postal order or through stock invest.
- (d) Please note that, providing bank account details in the space provided in the Application Form is mandatory and Applications that do not contain such details are liable to be rejected.

4.1.7.1 **Payment instructions for Applicants**

- (a) Applicants may submit the Application Form either
 - i. in physical mode to the Designated Branch of an SCSB where the Applicants have ASBA Account, or
 - ii. in electronic mode through the internet banking facility offered by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the Application Form, or
 - iii. in physical mode to any Designated Intermediary
- (b) Applicants must 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) Applicants 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) Applicants shall note that 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 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.
- (g) Upon receipt of the 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.
- (h) 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 and may upload the details on the Stock Exchange Platform.
- (i) 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.
- (j) 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.
- (k) The Application Amount may remain blocked in the aforesaid ASBA Account until finalisation 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.
- (l) SCSBs applying in the Issue must apply through an Account maintained with any other SCSB; else their Applications are liable to be rejected.

4.1.7.2 **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 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 Applications, 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 Applicant to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.
- (c) In the event of withdrawal or rejection of the Application Form and for unsuccessful Applications, the Registrar to the Issue may give instructions to the SCSB to unblock the Amount in the relevant ASBA Account within six Working Days of the Issue Closing Date.

4.1.7.3 **Discount** (if applicable)

- (a) The Discount is stated in absolute rupee terms.
- (b) Applicants applying under RII category, Retail Individual Shareholder and employees are only eligible for discount. For Discounts offered in the Issue, Applicants may refer to the Prospectus.
- (c) the Applicants entitled to the applicable Discount in the Issue may make payment for an amount i.e.

the Amount less Discount (if applicable).

Applicant may note that in case the net payment (post Discount) is more than two lakh Rupees, the system automatically considers such applications for allocation under Non-Institutional Category. These applications are neither eligible for Discount nor fall under RII category.

4.1.8 Field Number 8: Signatures and Other Authorisations

- (a) Only the First Applicant is required to sign the 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 ASBA Applicant, then the Signature of the ASBA Account holder(s) is also required.
- (c) Signature has to be correctly affixed in the authorization/undertaking box in the Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the 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.

4.1.9 Acknowledgement and future communication

- (a) Applicants should ensure that they receive the acknowledgment duly signed and stamped by the Designated Intermediary, as applicable, for submission of the Application Form.
- (b) 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, unblock of fund, the Applicants should contact the Registrar to the Issue.
 - ii. In case of Applications submitted to the Designated Branches of the SCSBs, the Applicants should contact the relevant Designated Branch of the SCSB.
 - iii. In case of queries relating to uploading of Applications by a Registered Broker, the Applicants should contact the relevant Registered Broker.
 - iv. In case of Applications submitted to the RTA, the Bidders/Applicants should contact the relevant RTA.
 - v. In case of Applications submitted to the DP, the Applicants should contact the relevant DP.
 - vi. Applicant may contact the Company Secretary and Compliance Officer or LM(s) in case of any other complaints in relation to the Issue.
- (d) The following details (as applicable) should be quoted while making any queries -
 - i. full name of the sole or First 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.
 - iii. 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 amount upwards) who has registered his or her interest in the Equity Shares for a particular number of shares is free to revise number of shares applied using revision forms available separately.
- (b) RII may revise their applications till closure of the Issue period or withdraw their applications until finalization of allotment.
- (c) Revisions can be made only in the desired number of Equity Shares 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	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:50%; text-align:center;">BOOK BUILT ISSUE</td> <td style="width:50%; text-align:center;">Bid cum Application Form No. _____</td> </tr> <tr> <td style="text-align:center;">ISIN :</td> <td></td> </tr> </table>	BOOK BUILT ISSUE	Bid cum Application Form No. _____	ISIN :	
BOOK BUILT ISSUE	Bid cum Application Form No. _____					
ISIN :						

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	ESCHOW 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												<input type="checkbox"/>
(OR) Option 2												<input type="checkbox"/>
(OR) Option 3												<input type="checkbox"/>

5. TO (Revised Bid) (Only Retail Individual Bidders can Bid at "Cut-off")												
Bid Options:	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised)					Price per Equity Share (₹) "Cut-off" (Price in multiples of ₹ 1/- only)						
	(In Figures)					(In Figures)						
	8	7	6	5	4	3	2	1	Bid Price	Retail Discount	Net Price	"Cut-off" (Please tick)
Option 1												<input type="checkbox"/>
(OR) Option 2												<input type="checkbox"/>
(OR) Option 3												<input type="checkbox"/>

6. PAYMENT DETAILS											
Additional Amount Paid (₹ in figures)					₹ in words					PAYMENT OPTION : FULL PAYMENT <input type="checkbox"/> PART PAYMENT <input type="checkbox"/>	
ASBA Bank A/c No. _____											
Bank Name & Branch _____											

I/WE HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTAND THE TERMS AND CONDITIONS OF THIS BID REVISION FORM AND THE RULES, REGULATIONS 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 REVISION FORM GIVEN OVERLEAF.

7A. SIGNATURE OF SOLE / FIRST BIDDER	7B. 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 time</small>	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
Date : _____	1) _____ 2) _____ 3) _____	

LOGO	XYZ LIMITED BID REVISION FORM - INITIAL PUBLIC ISSUE - R	Acknowledgement Slip for Broker/SCSB/DP/RTA	Bid cum Application Form No. _____
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	Option 1	Option 2	Option 3	Stamp & Signature of Broker / SCSB / DP / RTA	Name of Sole / First Bidder
No. of Equity Shares					
Bid Price					
Additional Amount Paid (₹)					Acknowledgement Slip for Bidder
ASBA Bank A/c No.					Bid cum Application Form No. _____
Bank & Branch					

Instructions to fill each field of the Revision Form can be found on the reverse side of the Revision Form. Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:

4.2.1 Fields 1, 2 and 3: Name and Contact Details of Sole/First 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: Application Form Revision ‘From’ and ‘To’

- (a) Apart from mentioning the revised number of shares in the Revision Form, the Applicant must also mention the details of shares 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/-. In case amount exceeds Rs. 2,00,000/- due to revision, application may be considered, subject to eligibility, for allocation under the Non-Institutional Category.

4.2.3 Field 6: Payment Details

- (a) All Applicants are required to make payment of the full application amount along with the Revision Form.
- (b) Applicant may Issue instructions to block the revised amount in the ASBA Account, to 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 Field 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

4.3.1 Applicants may submit completed application form / Revision Form in the following manner:-

Mode of Application	Submission of Application Form
ALL Application	To the Designated Intermediary

Section 5: Issue Procedure in Fixed Price Issue

Applicants may note that there is no Bid cum Application Form in a Fixed Price Issue. As the Issue Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through collection centres/SCSB and/or Bankers to the Issue .

Applicants may submit an Application Form either in physical form to any of the Designated Intermediary or in the electronic form to the SCSB or the Designated Branches of the SCSBs authorising 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 of Rejections

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no

firm as such shall be entitled to apply, a limited liability partnership can apply in its own name.

- Application by persons not competent to contract under the Indian Contract Act, 1872 as amended including minors, (other than minors having valid Depository Account as per Demographic Details provided by Depositories);
- PAN not mentioned in the Application Form;
- DP ID and Client ID not mentioned in the Application form
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than specified for that category of investors;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of 10,000;
- Category not ticked;
- Multiple Applications as defined in this Prospectus;
- In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Applications accompanied by Stock invest/ money order/ postal order/ cash/cheque/demand draft/pay order;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;
- In case no corresponding record is available with the Depositories that matches 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 persons other than in reliance on Regulation S or “qualified institutional buyers” as defined in Rule 144A under the Securities Act;
- Applications not duly signed by the sole Applicant;
- Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Applications that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Applications or revisions thereof by QIB Applicants, Non Institutional Applicants where the Application Amount is in excess of Rs. 2,00,000, received after 3.00 pm on the Issue Closing Date, unless the extended time is permitted by BSE

Applicants 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 exchanges do not match with PAN, the DP ID and client ID available in the depository database, the application form is liable to be rejected.

For details of instructions in relation to the Application Form, Applicants may refer to the relevant section of the GID.

Section 6: Issue Procedure in Book Built Issue

This being Fixed Price Issue, this section is not applicable for this Issue.

Section 7: Allotment procedure and Basis of Allotment

7.1 Basis of Allotment

7.2

Allotment will be made in consultation with the 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 hereunder:

- (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 3,000 equity shares the allotment will be made as follows:
- i. Each successful Applicant shall be allotted 3,000 equity shares; and
 - ii. The successful Applicants out of the total applicants for that category shall be determined by the withdrawal 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 3,000 equity shares, the Applicant would be allotted Shares by rounding off to the nearest multiple of 3,000 equity shares subject to a minimum allotment of 3,000 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 or 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 Applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of 3,000 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, up to 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 SEBI (ICDR), as the retail individual investor category is entitled to more than fifty per cent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
 - ii. The balance net offer of shares to the public shall be made available for allotment to
 - individual applicants other than retails individual investors and
 - other investors, including corporate bodies/ institutions irrespective of number of shares applied for.
 - iii. The unsubscribed portion of the net offer to any one of the categories specified in a) or b) shall/may be made available for allocation to 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 BSE.
- The Executive Director / Managing Director of BSE - the Designated Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with SEBI (ICDR) Regulations.

7.2 Designated Date and Allotment of Equity Shares

- (a) **Designated Date:** On the Designated Date, 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) credit of shares to the successful Applicants Depository Account will be completed within six 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 five Working Days from the Issue Close Date.

Section 8: Interest and Unblocking

8.1 Completion of formalities for Listing & commencement of Trading

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within six Working Days of the 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 six 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 finalised.

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 prescribed time after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of such period, be liable to repay the money, with interest at such rate as disclosed in the Prospectus.

8.2.2 Non receipt of Minimum Subscription

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. As per Section 39 of the Companies Act, 2013 read with Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended, if the “stated minimum amount” has not be 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 the Issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement to Underwriters within sixty days from the date of closure of the Issue, the Issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the Issuer becomes liable to pay the amount, the Issuer shall pay interest at the rate of 15% p.a.

8.2.3 MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of prospective Allotees to whom Equity Shares may be allotted may not be less than 50 failing which the entire application monies maybe refunded 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.

8.4 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 if Allotment is not made in accordance with timelines prescribes under applicable law.

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
Applicant	Any prospective investor who makes a Application pursuant to the terms of the Prospectus and the Application Form.
Application	An indication to make an offer during the Issue Period by a prospective investor pursuant to submission of Application Form, to subscribe for or purchase the Equity Shares of the Issuer at a price including all revisions and modifications thereto.
Application Amount	The value indicated in Application Form and payable by the Applicant upon submission of the Application, less discounts (if applicable).
Application Form	The form in terms of which the Applicant should make an application for Allotment in case of issues
Application Supported by Blocked Amount / ASBA) /ASBA	An application, whether physical or electronic, used by Applicants to make an Application authorising the SCSB to block the Application Amount in the specified bank account maintained with such SCSBs
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
Banker(s) to the Issue	The banks which are clearing members and registered with SEBI as Banker to the Issue with whom the Escrow Account(s) may be opened, and as disclosed in the Prospectus and Application Form of the Issuer
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful Applicants under the Issue
Business Day	Monday to Saturday (except 2nd and 4th Saturday of a month and public holidays)
CAN/Confirmation of Allotment Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which may be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Companies Act	The Companies Act, 1956 and the Companies Act, 2013 to the extent notified
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/cms/sebi_data/attachdocs/1365051213899.html
Designated Date	The date on which the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account as appropriate, after the Prospectus is filed with the RoC, following which the board of directors may Allot Equity Shares to successful Applicants in the fresh Issue, may give delivery instructions for the transfer of the Equity Shares constituting the Offer for Sale
Designated Stock Exchange	The designated stock exchange as disclosed in the draft Prospectus/Prospectus of the Issuer
Discount	Discount to the Issue Price that may be provided to Applicants in accordance with the SEBI ICDR Regulations, 2009.
Draft Prospectus	The draft prospectus filed with the Designated Stock Exchange in case of

	Fixed Price Issues and which may mention a price or a Price Band
Employees	Employees of an Issuer as defined under SEBI ICDR Regulations, 2009 and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the promoters and immediate relatives of the promoter. For further details Applicant may refer to the draft Prospectus/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 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
FPI(s)	Foreign portfolio investors, as defined under the FPI Regulations, including FIIs and QFIs, which are deemed to be foreign portfolio investors
FPI Regulations	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
Issue Closing Date	The date after which the Designated Intermediary may not accept any Applications 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 Opening Date	The date on which the Designated Intermediary may start accepting Applications 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 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 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
Issue Price	The Price at which Equity Shares will be issued and allotted by our Company being Rs. 10/- per Equity Share.
Lead Manager(s)/Lead Manager/ LM	The Lead Manager to the Issue as disclosed in the Draft Prospectus/Prospectus and the Application Form of the Issuer.
Maximum RII Allottees	The maximum number of RIIs who can be allotted the minimum Lot size. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Lot size.
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, that are not QIBs or RIBs and who have applied for Equity Shares for an amount of more than Rs. 200,000 (but not including NRIs other than Eligible NRIs), FPIs which are category III FPIs
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 draft Prospectus/Prospectus and the Application Form
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FIIs/FPIs registered with SEBI and FVCIs registered with SEBI
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
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
Prospectus	The prospectus to be filed with the RoC in accordance with Section 26 of the Companies Act 2013, containing the Issue Price, the size of the Issue and certain other information
Public Issue Account	An account opened with the Banker to the Issue to receive monies from the ASBA Accounts on the Designated Date
Qualified Financial Investors or QFIs	<p>Non-Resident investors, other than SEBI registered FIIs/FPIs or sub-accounts or SEBI registered FVCIs, who meet 'know your client' requirements prescribed by SEBI and are resident in a country which is (i) a member of Financial Action Task Force or a member of a group which is a member of Financial Action Task Force; and (ii) a signatory to the International Organisation of Securities Commission's Multilateral Memorandum of Understanding or a signatory of a bilateral memorandum of understanding with SEBI.</p> <p>Provided that such non-resident investor shall not be resident in country which is listed in the public statements issued by Financial Action Task Force from time to time on: (i) jurisdictions having a strategic anti-money laundering/combating the financing of terrorism deficiencies to which counter measures apply; (ii) jurisdictions that have not made sufficient progress in addressing the deficiencies or have not committed to an action plan developed with the Financial Action Task Force to address the deficiencies</p>
QIB Category	The portion of the Issue being such number of Equity Shares to be Allotted to QIBs on a proportionate basis
Qualified Institutional Buyers or QIBs	As defined under SEBI ICDR Regulations, 2009
RTGS	Real Time Gross Settlement
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
Registered Broker	Stock Brokers registered with the Stock Exchanges having nationwide terminals

Registrar to the Issue/RTI	The Registrar to the Issue as disclosed in the draft Prospectus/Prospectus and Application Form
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
Retail Individual Investors / RIIs	Investors who applies or Applications for a value of not more than ` 200,000.
Retail Individual Shareholders	Shareholders of a listed Issuer who applies 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 lot size, subject to availability in RII category and the remaining shares to be allotted on proportionate basis.
Revision Form	The form used by the Applicants 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 www.sebi.gov .
Stock Exchanges/ SE	The stock exchanges as disclosed in the draft Prospectus/Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed
Underwriters	The Lead Manager(s)
Underwriting Agreement	The agreement amongst the Issuer and the Underwriters
Working Day	Working day shall be all trading days of stock exchanges excluding Sunday and bank holidays as per SEBI circular No. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016.



Restriction on Foreign Ownership of Indian Securities

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the FIPB and the RBI.

The Government has from time to time made policy pronouncements on foreign direct investment (“**FDI**”) through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“**DIPP**”), issued the Consolidated FDI Policy Circular of 2015 (“**FDI Circular 2015**”), which, with effect from May 12, 2015, consolidated and superseded all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on May 12, 2015. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Circular 2015 will be valid until the DIPP issues an updated circular.

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 policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer.

The Equity Shares have not been and will not be registered under the Securities Act, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold (i) within the United States to persons reasonably believed to be qualified institutional buyers (as defined in Rule 144A under the Securities Act) pursuant to Rule 144A of the Securities Act and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and applicable laws of the jurisdictions where such offers and sales occur.

The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.



Section IX - Main Provisions of the Articles of Association

THE COMPANIES ACT, 2013

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

RIDDHI STEEL AND TUBE LIMITED.

1. Table F not to apply The regulations contained in Table F, in the first Schedule, to the Companies Act, 2013 shall not apply to this Company, but the regulations for the management of the Company and for the observance of the members thereof and their representatives shall, subject to any exercise of the statutory powers of the Company in reference to the repeal or alternation of, or addition to, its regulations by Special Resolution, as prescribed by the said Companies Act, 2013 be such as are contained in these Articles.

2. Interpretation In the interpretation of these Articles, the following words and expressions shall have the following meanings assigned thereunder, unless repugnant to the subject matter or content thereof.
 - (a) “The Act” or “the said Act”

 “The Act” means the Companies Act, 2013 or any statutory modification or re-enactment thereof for the time being in force.

 - (b) “These Articles”

 “These Articles” means Articles of Association for the time being of the Company or the Articles of Association as altered from time to time by special resolution.

 - (c) “Beneficial Owner”

 “Beneficial Owner” shall have the meaning assigned thereto in clause(a) of sub-section (1) of Section 2 of the Depositories Act, 1996.

 - (d) “The Company” or “this Company”



“The Company” or “this Company” means RIDDHI STEEL AND TUBE LIMITED.

(e) “The Directors”

“The Directors” means the Directors for the time being of the Company or as the case may be, the Directors assembled at a Board.

(f) “Depository”

“Depository” shall have the meaning assigned thereto by Section 2 (1)(e) of the Depositories Act, 1996.

(g) “Depositories Act 1996”

“Depositories Act 1996” includes any statutory modification or re- enactment thereof.

(h) “The Board” or the “Board of Directors”

“The Board,” or the “Board of Directors” means a meeting of the Directors duly called and constituted or as the case may be the Directors assembled at a Board, or the requisite number of Directors entitled to pass a circular resolution in accordance with the Act.

(i) “The Chairman”

“The Chairman” means the Chairman of the Board of Directors for the time being of the Company.

(j) “The Managing Director”

“The Managing Director” includes one or more persons appointed as such or any of such persons or

Directors for the time being of the Company who may for the time being be the Managing Director of the Company.

(k) “The Office”

“The Office” means the Registered Office for the time being of the Company.

(l) “Capital”

“Capital” means the share capital for the time being raised or authorised to be raised, for the purpose of the Company.

(m) “The Registrar”

“The Registrar” means the Registrar of Companies of the State in which the office of the Company is for the time being situated.

(n) “Dividend”

“Dividend” includes Bonus.

(o) “Month”

“Month” means the calendar month.

(p) “Seal”

“Seal” means the Common Seal for the time being of the Company.

(q) “In Writing and Written”

“In Writing and Written” include printing, lithography and other modes of representing or reproducing words in a visible form.

(r) “Plural Number”

Words importing the singular number also include the plural number and vice versa.

(s) “Persons”

“Persons” include corporations and firms as well as individuals.

(t) “Gender”

Words importing the masculine gender also include the feminine gender.

(u) “Securities & Exchange Board of India”

“Securities & Exchange Board of India” or SEBI means the Securities & Exchange Board of India established under Section 3 of the Securities & Exchange Board of India Act, 1992.

(v) “Year and Financial Year”

“Year” means the Calendar year and “Financial Year” shall have the meaning assigned thereto by Section 2(41) of the Act.

Expression in the Act to bear Save as aforesaid, any words or expressions defined in the Act shall, except same meaning in the Articles where the subject or context forbids, bear the same meaning in these Articles.

Marginal Notes The marginal notes hereto shall not affect the construction of these Articles.

COPIES OF MEMORANDUM AND ARTICLES TO BE FURNISHED BY THE COMPANY

3. Pursuant to Section 17 of the Act, Company shall, on being so required by a member, send to him within 7 (seven) days of the requirement and subject to the payment of a fee of Rs. 100/- or such other fee as may be



specified in the Rules, a copy of each of the following documents, as in force for the time being:

- (i) The Memorandum;
- (ii) The Articles, if any;
- (iii) Every other agreement and every resolution referred to in Section 117(1), of the Act, if and in so far as they have not been embodied in the Memorandum or Articles.

CAPITAL AND SHARES

4. The Authorized Share Capital of the Company is as per clause V of the Memorandum of Association of the Company with all rights to the company to alter the same in any way it thinks fit.
5. The Board may, from time to time, with the sanction of the Company in a general meeting, increase the share capital by such sum to be divided into shares of such amounts as the resolution shall prescribe.
6. The shares capital shall be distinguished by its appropriate number provided that nothing in this clause shall apply to the shares held with a depository.

SHARES AT THE DISPOSAL OF THE DIRECTORS

7. Subject to the provisions of Section 62 of the Act and these Articles, the shares capital of Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, In proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of section 53 of the Act) at a discount and at such time as they may from time to time think fit and with the sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the Company in General Meeting.

FURTHER ISSUE OF SHARES

8. (1) Where at any time the company proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered -
 - (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 following conditions, namely:-
 - (i) the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days and not exceeding thirty days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;
 - (ii) unless the articles of the company otherwise provide, the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares

offered to him or any of them in favour of any other person; and the notice referred to in clause (i) shall contain a statement of this right;

- (iii) after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to the shareholders and the company;
 - (b) to employees under a scheme of employees' stock option, subject to special resolution passed by company and subject to such conditions as may be determined by central government; or
 - (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 determined by central government.
- (2) The notice referred to in sub-clause (i) of clause (1) (a) 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.
- (3) Nothing in this section shall apply to the increase of the subscribed capital of a 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.

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.

POWER TO OFFER SHARES/OPTIONS TO ACQUIRE SHARES

9. (i) Without prejudice to the generality of the powers of the Board under any other Article of these Articles of Association, the Board or any Committee thereof duly constituted may, subject to the applicable provisions of the Act, rules notified there under and any other applicable laws, rules and regulations, at any point of time, offer existing or further Shares (consequent to increase of share capital) of the Company, or options to acquire such Shares (consequent to increase of share capital) of the Company, or options to acquire such Shares at any point of time, whether such options are granted by way of warrants or in any other manner (subject to such consents and permissions as may be required) to its employees, including Directors (whether whole-time or not), whether at par, at discount, in case of shares issued as sweat equity shares as per section 54 of the Act or at a premium, for cash or for consideration other than cash, or any combination thereof as may be permitted by law for the time being in force.
- (ii) In addition to the powers of the Board under Article 9(i), the Board may also allot the Shares referred to in Article 9(i) to any trust, whose principal objects would inter alia include further transferring such Shares to the Company's employees including by way of options, as referred to in Article 9(i) in accordance with the directions of the Board or any Committee thereof duly constituted for this purpose. The Board may make such provision of moneys for the purposes of such trust, as it deems fit.

The Board, or any Committee thereof duly authorized for this purpose, may do all such acts, deeds, things, etc. as may be necessary or expedient for the purposes of achieving the objectives set out in Articles 9(i) and (ii) above.

REDEEMABLE PREFERENCE SHARES

10. Subject to the provisions of Section 55 of the Act, the Company shall have the power to issue preference



shares which are or at the option of the Company, are liable to be redeemed and the resolution authorizing such issues shall prescribe the manners, terms and conditions of redemption.

PROVISIONS APPLICABLE IN CASE OF REDEEMABLE SHARES

11. On the issue of redeemable preference shares under the provisions of Article 10 hereof, the following provisions shall take effect.
 - (a) No such shares shall be redeemed except out of the profits of the company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purposes of such redemption;
 - (b) No such shares shall be redeemed unless they are fully paid;
 - (c) where such shares are proposed to be redeemed out of the profits of the company, there shall, out of such profits, be transferred, a sum equal to the nominal amount of the shares to be redeemed, to a reserve, to be called the Capital Redemption Reserve Account and the provisions of this Act relating to reduction of share capital of a company shall apply as if the Capital Redemption Reserve Account were paid-up share capital of the company.

NEW CAPITAL SAME AS ORIGINAL CAPITAL

12. Except so far as otherwise provided by the conditions of issue or by these Articles any capital raised by the creation of new shares shall be considered part of the initial capital and shall be subject to the provisions herein contained with reference to the payment of calls and installments; transfer and transmission, forfeiture, lien, surrender, voting and otherwise.

RESTRICTIONS ON PURCHASE BY COMPANY OR GIVING OF LOANS BY IT FOR PURCHASE OF ITS SHARES

13. (1) The company shall not have power to buy its own shares unless the consequent reduction of share capital is effected in accordance with provisions of the Companies Act, 2013 or other applicable provisions (if any) of the Act as applicable at the time of application.

This Article is not to delegate any power which the Company would have if it were omitted.

(2) The company shall not give, whether directly or indirectly and whether by means of a loan, guarantee the provision of security or otherwise, any financial assistance for the purpose of, or in connection with, a purchase or subscription made or to be made, by any person of or for any shares in the company or in its holding company.

(3) Nothing in sub-clause (2) shall apply to –

- (a) the company in accordance with any scheme approved by company through special resolution and in accordance with such requirements as may be determined by central government, for the purchase of, or subscription for, fully paid up shares in the company or its holding company, if the purchase of, or the subscription or, the shares held by trustees for the benefit of the employees or such shares held by the employee of the company;
- (b) the giving of loans by a company to persons in the employment of the company other than its directors or key managerial personnel, for an amount not exceeding their salary or wages for a period of six months with a view to enabling them to purchase or



subscribe for fully paid-up shares in the company or its holding company to be held by them by way of beneficial ownership:

Provided that disclosures in respect of voting rights not exercised directly by the employees in respect of shares to which the scheme relates shall be made in the Board's report in such manner as may be determined by central government.

REDUCTION OF CAPITAL

14. The Company may, subject to the provisions of the Companies Act, 2013 or other applicable provisions (if any) of the Act, as applicable at the time of application from time to time by special resolution, reduce its capital and any capital redemption reserve account or any share premium account in any manner for the time being authorized by law and in particular, capital may be paid off on the footing that it may be called up again or otherwise.

CONSOLIDATION AND DIVISION OF CAPITAL

15. The Company may in general meeting alter the conditions of its Memorandum of Association as follows:
- (a) Consolidate and divide all or any of its share capital into shares of a larger amount than its existing shares but no consolidation and division which results in changes in the voting percentage of shareholders shall take effect unless it is approved by the Tribunal on an application made in the prescribed manner;
 - (b) Sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the memorandum, so, however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived;
 - (c) Cancel shares which at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled. The cancellation of shares in pursuance of this sub-clause, shall not be deemed to be reduction of share capital within the meaning of the Act.

SALE OF FRACTIONAL SHARES

16. If and whenever as a result of issue of new shares of any consolidation or sub-division of shares any share become held by members in fractions, the Board shall, subject to the provisions of the Act and the Articles and to the directions of the Company in General Meeting, if any, sell those shares which members hold in fractions for the best price reasonably obtainable and shall pay and distribute to and amongst the members entitled to such shares in due proportions the net proceeds of the sale thereof. For the purpose of giving effect to any such sale, the Board may authorise any person to transfer the shares and 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 with reference to the sale.

MODIFICATION OF RIGHTS

17. Whenever the capital, by reason of the issue of Preference Shares or otherwise, is divided into classes of shares all or any of the rights and privileges attached to each class may subject to the provisions of the Companies Act, 2013 be modified, commuted, affected or abrogated, or dealt with by Agreement between the Company and any person purporting to contract on behalf of that class, provided such agreement is ratified in writing by holders of at least three-fourths in nominal value of the issued shares of the class or is confirmed by a Special Resolution passed at a separate general meeting of the holders of shares of the class

ISSUE OF FURTHER SHARES ON PARI PASSU BASIS



18. The rights conferred upon the holders of shares of any class issued with preferred or other rights, not unless otherwise expressly provided by the terms of the issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

NO ISSUE WITH DISPROPORTIONATE RIGHTS

19. The Company shall not issue any shares (not being preference shares) which carry voting right or rights in the Company as to dividend, capital or otherwise which are disproportionate to the rights attached to the holders of other shares (not being preference shares).

POWER OF COMPANY TO DEMATERIALIZE AND REMATERIALIZE

- (a) “Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its existing shares, debentures and other securities and rematerialize its such shares, debentures and other securities held by it with the Depository and/ or offer its fresh shares and debentures and other securities in a dematerialized form pursuant to the Depositories Act, 1996 and the Rules framed there under if any”

DEMATERIALIZATION OF SECURITIES

- (b) Either on the Company or on the investor exercising an option to hold his securities with a depository in a dematerialized form, the Company shall enter into an agreement with the depository to enable the investor to dematerialize the Securities, in which event the rights and obligations of the parties concerned shall be governed by the Depositories Act.

INTIMATION TO DEPOSITORY

- (c) “Notwithstanding anything contained in this Article, where securities are dealt with in a Depository, the Company shall intimate the details of allotment of securities to Depository immediately on allotment of such Securities”

OPTION FOR INVESTORS

- (d) “Every person subscribing to or holding securities of the Company shall have the option to receive security certificates or to hold the securities with a Depository. A beneficial owner of any security can at any time opt out of a Depository, if permitted by law, 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 of securities.”

THE COMPANY TO RECOGNIZE UNDER DEPOSITORIES ACT, INTEREST IN THE SECURITIES

OTHER THAN THAT OF REGISTERED HOLDER

- (e) “The Company or the investor may exercise an option to issue, deal in, hold the securities (including shares) with Depository in electronic form and the certificates in respect thereof shall be, dematerialized in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereto shall be governed by the provisions of the Depositories Act, 1996.”

SECURITIES IN DEPOSITORIES AND BENEFICIAL OWNERS

- (f) “All Securities held by a Depository shall be dematerialized and be in fungible form. Nothing contained in Sections 89 of the Act shall apply to a Depository in respect of the securities held by it on behalf of the beneficial owners.”



RIGHTS OF DEPOSITORIES AND BENEFICIAL OWNERS

- (g) (i) Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of security on behalf of the beneficial owner.
- (ii) Save as otherwise provided in (a) above, the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.
- (iii) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of the securities which are held by a depository.

DEPOSITORY TO FURNISH INFORMATION

- (h) Every Depository shall furnish to the Company information about the transfer of Securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the bye-laws and the Company in that behalf.

SHARES AND CERTIFICATES

REGISTER AND INDEX OF MEMBERS

20. 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 Sections 88 and other applicable provisions of the Act and the Depositories Act, 1996 with details of shares held in physical and dematerialized forms in any media as may be permitted by law including in any form of electronic media.

The Register and Index of beneficial owners maintained by a Depository under Section 11 of the Depositories Act, 1996 shall also 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.

SHARES TO BE NUMBERED PROGRESSIVELY

21. The shares in the capital shall be numbered progressively according to their several denominations and except in the manner herein before mentioned, no share shall be sub-divided.

DIRECTORS MAY ALLOT SHARES FULLY PAID-UP

22. Subject to the provisions of the Act and of these Articles, the Board may allot and issue shares in the capital of the Company as payment or part payment for any property sold or transferred, goods or machinery supplied or for services rendered to the company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up shares and if so issued shall be deemed to be fully paid up shares.

APPLICATION OF PREMIUM RECEIVED ON SHARES

23. (1) Where a company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares shall be transferred to a “securities premium account” and the provisions of this Act relating to reduction of share capital of a company shall, except as



provided in this article, apply as if the securities premium account were the paid-up share capital of the company.

- (2) Notwithstanding anything contained in clause (1), the securities premium account may be applied by the company -
- (a) towards the issue of unissued shares of the company to the members of the company as fully paid bonus shares;
 - (b) in writing off the preliminary expenses of the company;
 - (c) in writing off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the company;
 - (d) in providing for the premium payable on the redemption of any redeemable preference shares or of any debentures of the company; or
 - (e) for the purchase of its own shares or other securities under section 68.

ACCEPTANCE OF SHARES

24. Subject to the provisions of these Articles, any application signed by or on behalf of an applicant for shares in the Company followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these articles and every person who thus or otherwise accepts any shares and whose name is on the Register of Members shall, for the purposes of these Articles, be a member, provided that no share shall be applied for or allotted to a minor, insolvent or person of unsound mind.

LIABILITY OF MEMBERS

25. Every member or his heir, executors or administrators shall pay to the Company the proportion of the capital represented by his share or shares which may, for the time being remain unpaid thereon in such amounts, at such time or times and in such manner as the Board of Directors shall, from time to time, in accordance with the Company's regulations require or fix for the payment thereof.

LIMITATION OF TIME FOR ISSUE OF CERTIFICATE

26. The Company shall, unless the conditions of issue otherwise provide, within three months after the allotment of any of its shares or debentures and within one month after the application for the transfer of any such shares or debentures, complete and have ready for delivery the certificates of all shares and debentures allotted or transferred.

Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors may from time to time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of

any of its shares as the case may be. Every certificate of shares shall be under the seal of the Company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate to all such holder.

ISSUE OF NEW CERTIFICATE IN PLACE OF DEFACED, LOST OR DESTROYED

27. If any certificate be worn out, defaced mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, being given, an a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every Certificates under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.20/- for each certificate) as the Directors shall prescribe. Provided that no fees shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable in this behalf.

The provisions of this Article shall mutatis mutandis apply to debentures of the Company.

RIGHT TO OBTAIN COPIES OF AND INSPECT TRUST DEED

28. A copy of any Trust Deed for securing any issue of debentures shall be forwarded to the holders of any such debentures or any member of the Company at his request and within seven days of the making thereof on payment not exceeding Rs.10/- (Rupees Ten) per page.

The Trust Deed referred to in item (i) above also be open to inspection by any member or debenture holder of the Company in the same manner, to the same extent, and on payment of these same fees, as if it were the Register of members of the Company.

JOINT ALLOTTEES OF HOLDERS

29. Any two or more joint allottees or holders of shares shall, for the purpose of Articles, be treated as a single member and the certificate for any share, which may be the subject of joint ownership, may be delivered to any one of such joint owners on behalf of all of them.



COMPANY NOT BOUND TO RECOGNISE ANY INTEREST IN SHARE OTHER THAN THAT OF

REGISTERED HOLDER

30. (i) The Company shall not be bound to recognize any equitable, contingent, future or partial interest in any share or (except only as is by these presents, otherwise expressly provided) any right in respect of a share other than an absolute right there to, in accordance with these presents in the person from time to time registered as the holder thereof, but the Board shall be at liberty at its sole discretion to register any share in the joint names of two or more persons or survivors of them.
- (ii) Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or as by Law required) be bound to recognize any benami trust or equitable, contingent, future, partial or other claim or claims or right to or interest in such share on the part of any other person whether or not it shall have express or implied notice thereof.

WHO MAY HOLD SHARES

31. Shares may be registered in the name of an incorporated Company or other body corporate but not in the name of a minor or in the name of a person of unsound mind or in the name of any firm or partnership.
32. The Directors shall have the power to offer, issue and allot Equity Shares in or Debentures (whether fully/partly convertible or not into Equity Shares) of the Company with or without Equity Warrants to such of the Officers, Employees, Workers of the Company or of its Subsidiary and / or Associate Companies or Managing and Whole Time Directors of the Company (hereinafter in this Article collectively referred to as “the Employees”) as may be selected by them or by the trustees of such trust as may be set up for the benefit of the Employees in accordance with the terms and conditions of the Scheme, trust plan or proposal that may be formulated, created, instituted or set up by the Board of Directors or the Committee thereof in that behalf on such terms and conditions as the Board may in its discretion deem fit.

SWEAT EQUITY

33. Subject to the provisions of the Act (including any statutory modification or re-enactment thereof, for the time being in force), shares of the Company may be issued at a discount or for consideration other than cash to Directors or employees who provide know-how to the Company or create an intellectual property right or other value addition.

DECLARATIONSIN RESPECT OF BENEFICIAL INTEREST IN ANY SHARES

34. (1) In pursuance of section 89 of the act, where the name of a person is entered in the register of members of a company as the holder of shares in that company but who does not hold the beneficial

interest in such shares, such person shall make a declaration (within such time and in such form as may be determined by Central Govt.) to the company specifying the name and other particulars of the person who holds the beneficial interest in such shares.

- (2) Every person who holds or acquires a beneficial interest in share of the company shall make a declaration to the company specifying the nature of his interest, particulars of the person in whose name the shares stand registered in the books of the company and such other particulars (as may be determined by Central Govt.)
- (3) Where any change occurs in the beneficial interest in such shares, the person referred to in clause (1) and the beneficial owner specified in clause (2) shall, within a period of thirty days from the date of such change, make a declaration to the company in such form and containing such particulars (as may be determined by Central Govt.)
- (4) The Company has be bound to follows the rules as may be made by the Central Government to provide for the manner of holding and disclosing beneficial interest and beneficial ownership under this section.
- (5) Where any declaration under this article is made to a company, the company shall make a note of such declaration in the register concerned and shall file, within thirty days from the date of receipt of declaration by it, a return in the prescribed form with the Registrar in respect of such declaration with such fees or additional fees as may be determined by central government, within the time specified under section 403.
- (6) No right in relation to any share in respect of which a declaration is required to be made under this article but not made by the beneficial owner, shall be enforceable by him or by any person claiming through him.
- (7) Nothing in this article shall be deemed to prejudice the obligation of a company to pay dividend to its members under this Act and the said obligation shall, on such payment, stand discharged.

FUNDS OF COMPANY NOT TO BE APPLIED IN PURCHASE OF SHARES OF THE COMPANY

35. No funds of the Company shall except as provided by Section 67 of the Act, be employed in the purchase of its own shares, unless the consequent reduction of capital is effected and sanction in pursuance of provisions of the Companies Act, 2013 as may be applicable at the time of application and these Articles or in giving either directly or indirectly and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any Share in the Company in its holding Company.

ISSUE OF SHARES WITHOUT VOTING RIGHTS

36. In the event it is permitted by law to issue shares without voting rights attached to them, the Directors may issue such share upon such terms and conditions and with such rights and privileges annexed thereto as

through fit and as may be permitted by law.

SECTIONS 45 OF ACT NOT TO APPLY

37. Notwithstanding anything to the contrary contained in the Articles,
- (i) Section 45 of the Act shall not apply to the Shares held with a Depository;

TRUST RECOGNIZED

38. Except as ordered, by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognize, even when having notice thereof, any equitable, contingent, future or partial interest in any Share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a Share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as holder thereof but the Board shall be at liberty at their sole discretion to register any Share in the joint names of any two or more persons (but not exceeding 4 persons) or the survivor or survivors of them.

Shares may be registered in the name of an incorporated Company or other body corporate but not in the name of a minor or of a person of unsound mind (except in case where they are fully paid) or in the name of any firm or partnership.

REGISTRATION OF CHARGES

39. The provisions of the Act relating to registration of charges shall be complied with.

In case of a charge created out of India and comprising solely property situated outside India, the provisions of Section 77 of the Act shall also be complied with.

Where a charge is created in India but comprised property outside India, the instrument, creating or purporting to create the charge under Section 77 of the Act or a copy thereof verified in the prescribed manner, may be filed for registration, notwithstanding that further proceedings may be necessary to make the charge valid or effectual according to the law of the country in which the property is situated, as provided by Section 77 of the Act.

Where any charge on any property of the Company required to be registered to be registered under Section 77 of the Act has been so registered, any person acquiring such property or any part thereof or any share or interest therein shall be deemed to have notice of the charge as from the date of such registration.

Any creditors or member of the Company and any other person shall have the right to inspect copies of instruments creating charges and the Company's Register of Charges in accordance with and subject to the provisions of Section 85 of the Act.

UNDERWRITING AND BROKERAGE

COMMISSION MAY BE PAID

40. The Company may, subject to the provisions of Section 40 and other applicable provisions, if any, of the Act any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares in or debentures of the Company. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or debentures, or partly in the one way and partly in the other. [To be redrafted in accordance with Rule 13 of Companies



(Prospectus and Allotment of Securities) Rules, 2014]

BROKERAGE MAY BE PAID

41. The Company may pay a reasonable sum for brokerage on any issue of shares and debentures.

CALLS ON SHARES

DIRECTORS MAY MAKE CALLS

42. The Board of Directors may from time to time by a resolution passed at meeting of the Board (and not by circular resolution) make such call as it may think fit upon the members in respect of all moneys unpaid on the shares held by them respectively (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 a fixed time and each member shall pay the amount of every call so made on him to the persons and at the times and place appointed by the Board of Directors. A call may be made payable by installments.

CALLS ON SHARES OF THE SAME CLASS TO BE MADE ON UNIFORM BASIS

43. Where any calls for further share capital are made on shares, such calls shall be made on a uniform basis on all shares falling under the same class. For the purpose of this Article shares of the same nominal value on which different amounts have been paid up shall not be deemed to fall under the same class.

NOTICE OF CALLS

44. One month notice at least of every call payable otherwise than on allotment shall be given by the Company specifying the time and place of payment and to whom such call shall be paid.

CALLS TO DATE FROM RESOLUTION

45. A call shall be deemed to have been made at the time when the resolution of the Board authorizing such call was passed at a meeting of the Board of Directors and may be made payable by the members on the Register of Members on a subsequent date to be fixed by the Board.

DIRECTORS MAY EXTEND TIME

46. The Board of Directors may, from time to time, at its discretion, extend the time fixed for the payment of any call and may extend such times as to all or any of the members, who from residence at a distance or other cause, the Board of Directors may deem fairly entitled to such extension save as a matter of grace and favour.

CALL TO CARRY INTEREST AFTER DUE DATE

47. If any member fails to pay a call due from him on the day appointed for payment thereof or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board of Directors, but nothing in this Article shall render it compulsory upon the Board of Directors to demand or recover any interest from any such member.

PROOF ON TRIAL IN SUIT FOR MONEY DUE ON SHARES

48. Subject to the provisions of the Act and these Articles, on the trial or hearing of any action or suit brought by the Company against any member or his representatives for the recovery of any debt or money claimed

to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the member in respect of whose shares the money is sought to be recovered, appears, entered on the register of members as the holder at or subsequent to the date at which the money sought to be recovered is alleged to have become due, of the shares in respect of which such money is sought to be received, that the resolution making the call is duly recorded in the minute book and that notice of such call was duly given to the member or his representatives sued in pursuance of these presents and it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum was present at the Board at which any call was made, nor that the meeting at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

PAYMENT IN ANTICIPATION OF CALL MAY CARRY INTEREST

49. The Directors may, if they think fit, subject to the provisions of Section 50 of the Act, agree to and receive from any member willing to advance the same whole or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate not exceeding 12% unless the company in general meeting shall otherwise direct, as the member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced. The members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable. The provisions of these Articles shall mutatis mutandis apply to the calls on debenture of the Company.

FORFEITURE, SURRENDER AND LIEN

IF CALL OR INSTALLMENT NOT PAID, NOTICE MAY BE GIVEN

50. If any member fails to pay any call or installment of a call in respect of any shares on or before the day appointed for the payment of the same, the Board may at any time hereafter during such time as the call or installment remains unpaid, serve a notice on such member or on the person (if any) entitled to the share by transmission requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

FORM OF NOTICE

51. The notice shall name a day (not being earlier than the expiry of fourteen days from the date of service of the notice) and a place or places on and at which such money, including the call or installment and such interest and expenses as aforesaid is to be paid. The notice shall also state that in the event of non-payment on or before the time and at the place appointed, the shares in respect of which the calls was made or installment was payable, will be liable to be forfeited.

IN DEFAULT TO PAYMENT SHARES TO BE FORFEITED

52. 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 all the calls or installments and interest and expenses due in respect thereof are paid, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends and bonus declared in respect of the forfeited shares and not actually paid before forfeiture but provided that there shall be no forfeiture of unclaimed dividends before the claim becomes barred by law.

NOTICE OF FORFEITURE

53. When any share shall have been so forfeited, notice of the resolution shall be given to the member in whose

name it stood immediately prior to the forfeiture and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members provided however that the failure to give the notice of the shares having been forfeited will not in any way invalidate the forfeiture.

FORFEITED SHARES TO BECOME PROPERTY OF THE COMPANY

54. Any shares so forfeited shall be deemed to be the property of the Company and the Board may sell, re-allot otherwise dispose of the same in such manner as it thinks fit.

POWER TO ANNUL FORFEITURE

55. The Board may, at any time before any share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof as a matter of grace and favour but not as of right upon such terms and conditions as it may think fit.

ARREARS TO BE PAID NOTWITHSTANDING FORFEITURE

56. Any member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company all calls, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from the time of forfeiture until payment at such rate not exceeding fifteen per cent per annum as the Board may determine and the Board may enforce the payment of such moneys or any part thereof if it thinks fit, but shall not be under any obligation so to do.

EFFECT OF FORFEITURE

57. The forfeiture of a share shall involve the extinction of all interest in and also of all claims and demands against the Company, in respect of the share and all other rights, incidental to the share except only such of those rights as are by these Articles expressly saved.

PROCEEDS HOW TO BE APPLIED

58. The net proceeds of any such sale shall be applied in or towards satisfaction of the said debts, liabilities or engagements and the residue (if any) paid to such member, his heirs, executors, administrators or assigns.

DECLARATION OF FORFEITURE

59. (a) A duly verified declaration in writing that the declarant is a Director, the Managing Director of the Manager of the Secretary of the Company, and that share in the Company has been duly forfeited in accordance with these Articles, on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share.
- (b) The Company may receive the consideration, if any, given for the Share on any sale, re-allotment or other disposal thereof any may execute a transfer of the Share in favour of the person to whom the Share is sold or disposed of.
- (c) The person to whom such Share is sold, re-allotted or disposed of shall thereupon be registered as the holder of the Share.
- (d) Any such purchaser or allottee shall not (unless by express agreement) be liable to pay calls, amounts, installments, interests and expenses owing to the Company prior to such purchase or

allotment nor shall be entitled (unless by express agreement) to any of the dividends, interests or bonuses accrued or which might have accrued upon the Share before the time of completing such purchase or before such allotment.

- (e) Such purchaser or allottee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the Share be effected by the irregularity or invalidity in the proceedings in reference to the forfeiture, sale re-allotment or other disposal of the Shares.

60. The declaration as mentioned in Article 59 (a) of these Articles shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share.

TITLE OF PURCHASER AND ALLOTTEE OF FORFEITED SHARES

61. The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed off and the person to whom such share is sold, re-allotted or disposed off may be registered as the holder of the share. Any such purchaser or allottee shall not (unless by express agreement to the contrary) be liable to pay any calls, amounts, installments, interest and expenses owing to the Company prior to such purchase or allotment, nor shall he be entitled (unless by express agreement to contrary) to any of the dividends, interest or bonuses accrued or which might have accrued upon the share before the time of completing such purchase or before such allotment. Such purchaser or allottee 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 with reference to the forfeiture, sale, re-allotment or disposal of the share.

PARTIAL PAYMENT NOT TO PRECLUDE FORFEITURE

62. Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as herein provided.

THE PROVISIONS OF THESE ARTICLES AS TO FORFEITURE TO APPLY IN CASE OF NON-

PAYMENT OF ANY SUM

63. The provisions of these Articles as to forfeiture shall apply to 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 Shares or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

BOARD MAY ACCEPT SURRENDER OF SHARES

64. The Board may at any time, subject to the provisions of the Act, accept the surrender of any share from or by any member desirous of surrendering the same on such terms as the Board may think fit.

COMPANY'S LIEN ON SHARE/DEBENTURES

65. The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. The registration of a transfer of shares/debentures shall not operate as a waiver of the Company's lien if any, on such shares/debentures unless otherwise agreed by the Board. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this Article.

ENFORCING LIEN BY SALE

66. For the purpose of enforcing such lien, the Board may sell the shares subject thereto in such manner as it thinks fit but no sale shall be made until such time fixed as aforesaid shall have arrived and until notice in writing of the intention to sell, shall have been served on such member his heirs, executors, administrators or other legal representatives as the case may be and default shall have been made by him or them in payment, fulfillment or discharged of such debts, liabilities or engagements for fourteen days after the date of such notice.

APPLICATION OF PROCEEDS OF SALE

67. The net proceeds of any such sale shall be received by the Company and applied in or towards satisfaction of the said debts, liabilities or engagements and the residue, if any, shall be paid to such member, his heirs, executors, administrators or other legal representatives, as the case may be.

VALIDITY OF SALE IN EXERCISE OF LIEN AND AFTER FORFEITURE

68. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers herein before given, the Board of Directors may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the register in respect of the shares sold and the purchaser shall not be bound to see to the regularity of the proceedings, nor to the application of the purchase money and after his name has been entered in the Register of members in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

BOARD OF DIRECTORS MAY ISSUE NEW CERTIFICATES

69. Where an shares under the powers in that behalf herein contained are sold by the Board of Directors after forfeiture or for enforcing a lien, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall voluntarily or on demand by the Company, have been previously surrendered to the Company by the defaulting member) stand cancelled and become null and void and of no effect and the Board of Directors may issue a new certificate or certificates for such shares distinguishing it or them in such manner as it may think fit from the certificate or certificates previously issued in respect of the said shares.



SUM PAYABLE ON ALLOTMENT TO BE DEEMED A CALL

70. For the purpose of the provisions of these Articles relating to forfeiture of Shares, the sum payable upon allotment in respect of a share shall be deemed to be a call payable upon such Share on the day of allotment.

TRANSFER AND TRANSMISSION OF SHARES

REGISTER OF TRANSFER

71. The Company shall keep a book to be called the Register of Transfer and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any share.

EXECUTION OF TRANSFER

72. Subject to the Provisions of the Act and these Articles, the transfer of shares in or debentures of the Company shall be registered unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor or on behalf of the transferee and specifying the name, address and occupation, if any, of the transferee has been delivered to the Company along with the certificate if in existence or along with the letter of allotment of the shares or debentures. The transferor shall be deemed to remain the holder of such shares until the name of the transferee is entered in the register in respect thereof. Shares of different classes shall not be included in the same instrument of transfer.

INSTRUMENT OF TRANSFER

73. Every such instrument of transfer shall be signed both by the Transferor and transferee and the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register of members in respect thereof.

FORM OF TRANSFER

74. The instrument of transfer shall be in writing and all the provisions of Section 56 of the Act and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfers of shares and registration thereof. The Company shall use a common form for transfer.

NO TRANSFER TO A PERSON OF UNSOUND MIND, ETC

75. No transfer shall be made to a minor or a person of unsound mind.

TRANSFER OF SHARES

76. (i) An application for the registration of a transfer of shares may be made either by the transferor or by the transferee.
- (ii) Where the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.
- (iii) For the purpose of clause (2) hereof notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post to the transferee at the address given in the instruments of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.

DIRECTORS MAY REFUSE TO REGISTER TRANSFER

77. Subject to the Provisions of Section 58 and 59, these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may refuse whether in pursuance of any power of the company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to, any Shares or interest of a Member in or Debentures of the Company. The Company shall within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be giving reasons for such refusal. Provided that the registration of a transfer shall not be refused person or persons indebted to the Company on any account whatsoever except where the Company has a lien on Shares. If the Company refuses to register the transfer of any share or transmission of right therein, the Company shall within one month from the date on which instrument of transfer or the intimation of transmission, as the case may be, was delivered to the Company, sends notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission as the case may be. Nothing in these Articles shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares of the Company has been transmitted by operation of law.

NO FEE ON TRANSFER OR TRANSMISSION

78. No fee shall be charged for registration of transfer, transmission, Probate, Succession, Certificate and Letters of administration, Certificate of Death or Marriage, Power of Attorney or similar other document.

TRANSFER TO BE LEFT AT OFFICE AS EVIDENCE OF TITLE GIVEN

79. Every instruments of transfer duly executed and stamped shall be left at the office for registration accompanied by the certificate of the shares to be transferred and such other evidence as the Company may require to prove the title of the transferor or his right to transfer the shares.

WHEN TRANSFER TO BE RETAINED

80. All instruments of transfer which are registered shall be retained by the Company but any instrument of transfer which the Board declines to register shall, on demand, be returned to the person depositing the same. The Board may cause to be destroyed all transfer deeds lying with the Company after such period not being less than eight years as it may determine.

DEATH OF ONE OR MORE JOINT HOLDERS OF SHARES

81. In the case of death of any one or more of the persons named in Register of Members as joint shareholders of any share, the survivors shall be the only persons recognized by the Company as having any title to or interest in such shares, but nothing herein contained shall be taken to release the estate of a joint shareholder from any liability to the Company on shares held by him jointly with any other person.

TITLE TO SHARES OF DECEASED HOLDER

82. Subject to Article 81 the heir, executor or administrator of a deceased shareholder shall be the only person recognized by the Company as having any title to his shares and the Company shall not be bound to recognize such heir, executor or administrator unless such heir, executor or administrator shall have first obtained probate, letters of administration or succession certificate.

REGISTRATION OF PERSONS ENTITLED TO SHARE OTHERWISE THAN BY TRANSFER

83. Subject to the provisions of Article 90 any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy or insolvency of any member or by any lawful means other than by a transfer in accordance with these present, may with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that the sustains the character in respect of which he proposes to act under this Article or of such titles as the Directors shall think sufficient, either be registered himself as a member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as a member in respect of such shares. Provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favor of his nominee on instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be free from any liability in respect of such shares.

A transfer of the share or other interest in the Company of a deceased member thereof made by his legal representative shall although the legal representative is not himself a member, be as valid as if he had been a member at the time of the execution of the instrument of transfer

CLAIMANT TO BE ENTITLED TO SAME ADVANTAGE

84. The person entitled to a share by reason of the death lunacy, bankruptcy or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled as if he were registered holder of the shares 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 the meeting of the Company provided that the Board may at any time give notice requiring any such persons to elect either to be registered himself or to transfer shares and if the notice is not complied within sixty days the Board shall thereafter withhold payment of all dividends, interests, bonuses or other moneys payable in respect of the share until the requirements of the notice have been compelled with.

TRANSMISSION OF SHARE

85. Subject to the provisions of the Act and these Articles, any person becoming entitled to a share in consequence of the death, bankruptcy or insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may with the consent of the Board (which it shall not be under any obligation to give) upon producing such evidence as the Board think sufficient, either be registered himself as the holder of the share or elect to have some person nominated by him and approved by the Board registered as such holder, provided nevertheless that if such person shall elect to have his nominee registered, he shall testify the election by executing to his nominee an instrument of transfer of the share in accordance with the provisions herein contained and until he does so he shall not be freed from any liability in respect of the share.

BOARD MAY REFUSE TO TRANSMIT

86. The Board shall have the same right to refuse on legal grounds to register a person entitled by transmission to any share or his nominee, as if he were the transferee named in any ordinary transfer presented for registration.

BOARD MAY REQUIRE EVIDENCE OF TRANSMISSION

87. Every transmission of share shall be verified in such manner as the Board may require and if the Board so desires, be accompanied by such evidence as may be thought necessary and the Company may refuse to register any such transmission until the same be verified on requisite evidence produced or until or unless an indemnity be given to the Company with regard to such registration which the Board at its absolute discretion shall consider sufficient, provided nevertheless, that there shall not be any obligation on the Company or the Board to accept any indemnity.

TRANSFER BY LEGAL REPRESENTATION

88. A transfer of a share in the Company of a deceased member thereof made by his legal representative shall, although the legal representative is not himself a member be as valid as if he had been a member at the time of the execution of instrument of transfer.

CERTIFICATE OF TRANSFER

89. The Certification by the Company of any instrument of transfer of shares in or debentures of the Company, shall be taken as a representation by the Company to any person acting on the faith of the certification that there have been produced to the Company such documents as on the face of them show a prime facie title to the shares or debentures in the transferor named in the instrument of transfer, but not as a representation that the transferor has any title to the shares or debentures

THE COMPANY NOT LIABLE FOR DISREGARD OF A NOTICE PROHIBITING

REGISTRATION OF TRANSFER

90. The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer or transmission of shares made or purporting to be made by any apparent legal owner thereof as shown or appearing in the Register of Members to the prejudice of persons having or

claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer any may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some books of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit.

NOMINATION

91. (i) Every shareholder or debenture holder of the Company, may at any time, nominate a person to whom his shares or debentures shall vest in the event of his death in such manner as may be determined by central government under the Act.
- (ii) Where the shares or debentures of the Company are held by more than one person jointly, joint holders may together nominate a person to whom all the rights in the shares or debentures, as the case may be shall vest in the event of death of all the joint holders in such manner as may be determined by central government under the act.
- (iii) Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, where a nomination made in the manner aforesaid purports to confer on any person the right to vest the shares of debentures, the nominee shall, on the death of the shareholders or debenture holder or, as the case may be on the death of the joint holders become entitled to all the rights in such shares or debentures or, as the case may be , all the joint holders, in relation to such shares or debentures, to the exclusion of all other persons, unless the nomination is varied or cancelled in the manner as may be determined by central government under the Act.
- (iv) Where the nominee is a minor, it shall be lawful for the holder of the shares or debentures, to make the nomination to appoint any person to become entitled to shares in, or debentures of, the Company in the manner prescribed under the Act, in the event of his death, during the minority.

“Option of Nominee”

92. (i) A nominee upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-(a) to register himself as holder of the share or debenture, as the case may be; (b) or to make such transfer of the shares and/or debentures, as the deceased shareholder or debenture holder, as the case may be, could have made.

If the nominee elects to be registered as holder of the shares or debentures, himself, as the case may be, he shall deliver or send to the Company, notice in writing signed by him stating that he so elects and such notice shall be accompanied with death certificate of the deceased shareholder or debenture holder, as the case may be.

- (ii) A nominee shall be entitled to the share dividend/interest and other advantages to which he would be entitled if he were the registered holder of the shares or debentures, provided that he shall not, before



being registered as a member, be entitled to exercise any right conferred by membership in relation to the meeting of the Company.

Provided further that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the shares or debentures, and if the notice is not complied within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the shares or debentures, until the requirements of the notice have been complied with.

TRUST NOT RECOGNISED

93. Save as herein otherwise provided, the Company shall be entitled to treat the person whose names appears on the Register of Members/Debentures as the holder of any Shares/Debentures in the records of the Company and/or in the records of the Depository as the absolute owner thereof and accordingly shall not (except as may be ordered by a Court of competent jurisdiction or as may be required by law) be bound to recognize any benami trust or equitable, contingent, future or other claim or interest or partial interest in any such shares/debentures on the part of any other person or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto on the part of any other person whether or not it shall have express or implied notice thereof, but the Board shall be at liberty and at its sole discretion decided to register any share/debenture in the joint names of any two or more persons or the survivor or survivors of them.

TRANSFER OF SECURITIES

94. Nothing contained in Section 56(1) of the Act or these Articles shall apply to a transfer of securities affected by a transferor and transferee both of whom are entered as beneficial owners in the records of depository.

NOTICE OF APPLICATION WHEN TO BE GIVEN

95. Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.

REFUSAL TO REGISTER NOMINEE

96. Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse to register a person entitled by transmission to any Share of his nominee as if he were the transferee named in an ordinary transfer presented for registration.

PERSON ENTITLED MAY RECEIVE DIVIDEND WITHOUT BEING REGISTERED AS A MEMBER

97. A person entitled to a Share by transmission shall subject to the right of the Directors to retain dividends or money as is herein provided, be entitled to receive and may give a discharge for any dividends or other moneys payable in respect of the Share.

BOARD MAY REFUSE TRANSFER TO MORE THAN THREE PERSONS



98. Subject to the provisions of the Act, the Board may refuse to transfer a share or shares in the joint names of more than three persons.

JOINT HOLDERS

99. If any share stands in the name of two or more persons, the person first named in the Register of Members shall, as regards receipt of dividends or bonus or service of notice and/or any other matter connected with the Company, except voting at meeting and the transfer of the share, be deemed the sole holder thereof, but the joint holders of a share be severally as well as jointly, liable for the payment of all installments and calls due in respect of such share and for all incidents thereof subject to the following and other provisions contained in these articles;

JOINT AND SEVERAL LIABILITIES FOR ALL PAYMENTS IN RESPECT OF SHARES

- (a) The joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.

TITLE OF SURVIVORS

- (b) On the death of any such joint holder, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person.

EFFECTUAL RECEIPTS

- (c) Any one of several persons who is registered as joint holder of any share may give effectual receipts for all dividends and payments on account of dividends in respect of such share.

DELIVERY OF CERTIFICATE AND GIVING OF NOTICE TO FIRST NAMED HOLDER

- (d) Only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificates relating to such share or to receive documents (which expression shall be deemed to include all documents referred to in Article 29 from the Company and document served on or sent to such person shall be deemed service on all the joint holders).

VOTES OF JOINT HOLDERS

- (e) Any one or two or more joint holders may vote at any meeting either personally or by attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint holders be



present at any meeting personally or by proxy or by attorney than that one or such persons so present whose name stands first or higher (as the case may be) on the Register of Members in respect of such shares shall alone be entitled to vote in respect thereof but the others of the joint holders shall be entitled to be present at the meeting; provided always that a joint holder present at any meeting personally 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 an attorney or by proxy stands first or higher (as the case may be) in the register in respect of such shares. Several executors or administrators of a deceased members in whose (deceased member's) sole name any shares stand shall for the purpose of this

Article, be deemed joint holders.

CONVERSION OF SHARES INTO STOCK

SHARES MAY BE CONVERTED INTO STOCK

100. The Board may, pursuant to section 61 with the sanction of a General Meeting, convert any paid up share into stock and when any shares shall have been converted into stock, the several holders of such stock may henceforth, transfer their respective interests therein or any part of such interest in the same manner as and subject to the same regulations, under which fully paid up share in the capital of the Company may be transferred or as near thereto as circumstances will admit, but the Board may, from time to time if it thinks fit, fix the minimum amount of stock transferable and direct that fractions of a rupee shall not be dealt with, power nevertheless at their discretion to waive such rules in any particular case.

RIGHTS OF STOCK-HOLDERS

101. The stock shall confer on the holders thereof respectively the same rights, privileges and advantages as regards participation in the profits and voting at meetings of the Company and for other purposes as would have been conferred by shares of equal amount in the capital of the Company of the same class as the shares from which such stock was converted, but so that none of such privileges or advantages except participation in the profits of the Company or in the assets of the Company on a winding up, shall be conferred by any such equivalent part of consolidated stock as would not, if existing in shares have conferred such privileges or advantages. No such conversion shall effect or prejudice any preference or other special privileges attached to the shares so converted. Save as aforesaid, all the provisions herein contained shall, so far as circumstances will admit, apply to stock as well as to shares. The Company may at any time reconvert any such stock into fully paid up shares of any denomination.

MEETING OF MEMBERS

102. (a) Subject to Section 96 of the Act, the Company shall in each year hold, in addition to any other meetings, a General Meeting as its Annual General Meeting and shall specify the meeting as such in the notices calling it and not more than fifteen months shall elapse between the date of the Annual General Meeting of the Company and that of the next, provided also that the Register may, for any special reason, extend the time within which any annual general meeting shall be held by a period not exceeding three months.
- (b) Every Annual General Meeting shall be called for at a time during business hours that is between 9 a.m. and 6 p.m. on any day that is not a national holiday and shall be held either at the



Registered Office of the Company or at some other place within the city or town or village in which the Registered Office of the Company is situated.

103. The Company shall in accordance with Section 92 of the Act, within 60 days from the day on which the Annual General Meeting is held, prepare and file with the Registrar an annual return together with the copy of the financial statements, including consolidated financial statement, if any, along with all the documents which are required to be or attached to such financial statements under this act, duly adopted at the Annual General Meeting of the company. A copy of the financial statements adopted at the Annual General Meeting shall be filed within 30 days of the annual general meeting in accordance with Section 137 of the Act.

DISTINCTION BETWEEN ANNUAL GENERAL MEETING AND EXTRA-ORDINARY GENERAL MEETING

104. The General Meeting referred to in Article 99 shall be called and styled as an Annual General Meeting and all meetings other than the Annual General Meeting shall be called Extra-ordinary General Meetings.

CALLING OF EXTRA-ORDINARY GENERAL MEETING

105. (1) The Board may, whenever it deems fit, call an extraordinary general meeting of the company.
- (2) The Board shall, at the requisition made by such number of members who hold, on the date of the receipt of the requisition, not less than one-tenth of such of the paid-up share capital of the company as on that date carries the right of voting power of all the members having on the said date a right to vote, call an extraordinary general meeting of the company within the period specified in clause (4).
- (3) The requisition made under clause (2) shall set out the matters for the consideration of which the meeting is to be called and shall be signed by the requisitionists and sent to the registered office of the company.
- (4) If the Board does not, within twenty-one days from the date of receipt of a valid requisition in regard to any matter, proceed to call a meeting for the consideration of that matter on a day not later than forty-five days from the date of receipt of such requisition, the meeting may be called and held by the requisitionists themselves within a period of three months from the date of the requisition.
- (5) A meeting under clause (4) by the requisitionists shall be called and held in the same manner in which the meeting is called and held by the Board.
- (6) Any reasonable expenses incurred by the requisitionists in calling a meeting under clause (4) shall be reimbursed to the requisitionists by the company and the sums so paid shall be deducted from any fee or other remuneration under section 197 payable to such of the directors who were in default in calling the meeting.

LENGTH OF NOTICE FOR CALLING MEETING

106. (1) A general meeting of a company may be called by giving not less than clear twenty-one days' notice either in writing or through electronic mode in such manner as may be determined by central government:
- Provided that a general meeting may be called after giving a shorter notice 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.
- (2) Every notice of a meeting shall specify the place, date, day and the hour of the meeting and shall contain a statement of the business to be transacted at such meeting.
- (3) The notice of every meeting of the company shall be given to –
- (a) every member of the company, legal representative of any deceased member or the assignee of an insolvent member;
 - (b) the auditor or auditors of the company; and
 - (c) every director of the company.
- (4) Any accidental omission to give notice to, or the non-receipt of such notice by, any member or other person who is entitled to such notice for any meeting shall not invalidate the proceedings of the meeting.

EXPLANATORY STATEMENT TO BE ANNEXED TO NOTICE / SPECIAL BUSINESS

107. (1) Pursuant to section 102 a statement setting out the following material facts concerning each item of special business to be transacted at a general meeting, shall be annexed to the notice calling such meeting, namely: -
- (a) the nature of concern or interest, financial or otherwise, if any, in respect of each items of—
 - (i) every director and the manager, if any;
 - (ii) every other key managerial personnel; and
 - (iii) relatives of the persons mentioned in sub-clauses (i) and (ii);
 - (b) any other information and facts that may enable members to understand the meaning, scope and implications of the items of business and to take decision thereon.
- (2) For the purposes of clause (1),—
- (a) in the case of an annual general meeting, all business to be transacted thereat shall be deemed special, other than—
 - (i) the consideration of financial statements and the reports of the Board of Directors and auditors;
 - (ii) the declaration of any dividend;
 - (iii) the appointment of directors in place of those retiring;
 - (iv) the appointment of, and the fixing of the remuneration of, the auditors; And

(b) in the case of any other meeting, all business shall be deemed to be special:
Provided that where any item of special business to be transacted at a meeting of the company relates to or affects any other company, the extent of shareholding interest in that other company of every promoter, director, manager, if any, and of every other key managerial personnel of the first mentioned company shall, if the extent of such shareholding is not less than two per cent. of the paid-up share capital of that company, also be set out in the statement.

(3) Where any item of business refers to any document, which is to be considered at the meeting, the time and place where such document can be inspected shall be specified in the statement under sub-clause (1).

108. No General Meeting, Annual or Extra-ordinary, shall be competent to enter upon, discuss or transact any business which has not been specifically mentioned in the notice or notices upon which it is convened.

QUORUM

109. (1) The quorum for a General Meeting of the Company shall be as under:

- (i) five members personally present if the number of members as on the date of meeting is not more than one thousand; or
- (ii) 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; or
- (iii) thirty members personally present if the number of members as on the date of the meeting exceeds five thousand; shall be the quorum for a meeting of the company.

(2) If the quorum is not present within half-an-hour from the time appointed for holding a meeting of the company –

(a) the meeting shall stand adjourned to the same day in the next week at the same time and place, or to such other date and such other time and place as the Board may determine; or

(b) the meeting, if called by requisitionists under section 100, shall stand cancelled:

Provided that in case of an adjourned meeting or of a change of day, time or place of meeting under clause (a), the company shall give not less than three days notice to the members either individually or by publishing an advertisement in the newspapers (one in English and one in vernacular language) which is in circulation at the place where the registered office of the company is situated.

(3) If at the adjourned meeting also, a quorum is not present within half-an-hour from the time appointed for holding meeting, the members present shall be the quorum.

RESOLUTION PASSED AT ADJOURNED MEETING

110. Where a resolution is passed at an adjourned meeting of –

(a) a company; or

(b) the holders of any class of shares in a company;
or (c) the Board of Directors of a company,

the resolution shall, for all purposes, be treated as having been passed on the date on which it was in fact passed, and shall not be deemed to have been passed on any earlier date.

REGISTRATION OF RESOLUTIONS AND AGREEMENTS

111. The Company shall comply with the provisions of Section 117 of the Act relating to registration of certain resolutions and agreements.

POWER OF ADJOURN GENERAL MEETING

112. (1) The Chairman of the General Meeting at which a quorum is present, and shall if so directed by the meeting, may adjourn the same from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (2) 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.
- (3) Save as aforesaid, it shall not be necessary to give any notice of an adjournment of or of the business to be transacted at any adjourned meeting.

CHAIRMAN OF GENERAL MEETING

113. The Chairman of the Board shall, if willing, preside as Chairman at every General Meeting, Annual or Extra-ordinary, if there be no such Chairman or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding such meeting or being present declined to take the Chair, the Directors present may choose one of their members to be Chairman and in default of their doing so, the members present shall choose one of the Directors to be Chairman and if no Director present be willing to take the Chair, members shall, on a show of hands elect one of their numbers to be Chairman, of the meeting, if a poll is demanded on the election of the Chairman, it shall be taken forthwith in accordance with the provisions of the Act and these Articles and the Chairman elected on a show of hands shall exercise all the powers of the Chairman under the said provisions. If some other person is elected chairman as a result of the poll, he shall be the Chairman for the rest of the meeting.

BUSINESS CONFINED TO ELECTION OF CHAIRMAN WHILE CHAIR VACANT

114. No business shall be discussed at any General Meeting except the election of a Chairman while the chair is vacant.

RESOLUTION MUST BE PROPOSED AND SECONDED

115. No resolution submitted to a meeting, unless proposed by the Chairman of the meeting shall be discussed nor put to vote until the same has been proposed by a member present and entitled to vote at such meeting and seconded by another member present and entitled to vote at such meeting.

POSTAL BALLOT

116. (1) Notwithstanding anything contained in this Act, the company –
- (a) shall, in respect of such items of business as the Central Government may, by notification, declare to be transacted only by means of postal ballot; and
 - (b) may, in respect of any item of business, other than ordinary business and any business in respect of which directors or auditors have a right to be heard at any meeting, transact by means of postal ballot, in such manner as may be determined by Central Government, instead of transacting such business at a general meeting.
- (2) If a resolution is assented to by the requisite majority of the shareholders by means of postal ballot, it shall be deemed to have been duly passed at a general meeting convened in that behalf.

DECLARATION OF CHAIRMAN TO BE CONCLUSIVE

117. A declaration by the Chairman that 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

CIRCULATION OF MEMBERS' RESOLUTION

- 118..(1) A company shall, on requisition in writing of such number of members, as required in section 100,—
- (a) give notice to members of any resolution which may properly be moved and is intended to be moved at a meeting; and
 - (b) circulate to members any statement with respect to the matters referred to in proposed resolution or business to be dealt with at that meeting.
- (2) A company shall not be bound under this section to give notice of any resolution or to circulate any statement unless –
- (a) a copy of the requisition signed by the requisitionists (or two or more copies which, between them, contain the signatures of all the requisitionists) is deposited at the registered office of the company,—



- (i) in the case of a requisition requiring notice of a resolution, not less than six weeks before the meeting;
 - (ii) in the case of any other requisition, not less than two weeks before the meeting; and
- (b) there is deposited or tendered with the requisition, a sum reasonably sufficient to meet the company's expenses in giving effect thereto:

Provided that if, after a copy of a requisition requiring notice of a resolution has been deposited at the registered office of the company, an annual general meeting is called on a date within six weeks after the copy has been deposited, the copy, although not deposited within the time required by this sub-section, shall be deemed to have been properly deposited for the purposes thereof.

- (3) The company shall not be bound to circulate any statement as required by clause(b) of sub-section (1), if on the application either of the company or of any other person who claims to be aggrieved, the Central Government, by order, declares that the rights conferred by this section are being abused to secure needless publicity for defamatory matter.
- (4) An order made under sub-section (3) may also direct that the cost incurred by the company by virtue of this section shall be paid to the company by the requisitionists, notwithstanding that they are not parties to the application.

VOTES OF MEMBERS

VOTES MAY BE GIVEN BY PROXY OR ATTORNEY

119. Subject to the provisions of the Act and these Articles, votes may be given either personally or by an attorney or by proxy or in the case of a body corporate, also by a representative duly authorised under section 113 of the Act.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights

Provided that a member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

VOTES OF MEMBERS

120. (1) Subject to the provisions of section 43 and sub-section (2) of section 50, -
- (a) every member of a company limited by shares and holding equity share capital therein, shall have a right to vote on every resolution placed before the company; and

- (b) his voting right on a poll shall be in proportion to his share in the paid-up equity share capital of the company.
- (2) Every member of a company limited by shares and holding any preference share capital therein shall, in respect of such capital, have a right to vote only on resolutions placed before the company which directly affect the rights attached to his preference shares and, any resolution for the winding up of the company or for the repayment or reduction of its equity or preference share capital and his voting right on a poll shall be in proportion to his share in the paid-up preference share capital of the company:

Provided that the proportion of the voting rights of equity shareholders to the voting rights of the preference shareholders shall be in the same proportion as the paid-up capital in respect of the equity shares bears to the paid-up capital in respect of the preference shares:

Provided further that where the dividend in respect of a class of preference shares has not been paid for a period of two years or more, such class of preference shareholders shall have a right to vote on all the resolutions placed before the company.

RIGHT OF MEMBER TO USE HIS VOTES DIFFERENTLY

121. On a poll being taken at meeting of the Company, a member entitled to more than one vote or his proxy or other person entitled to vote for him as the case may be need not, if he votes, use all his votes or cast in the same way all the votes he uses.

REPRESENTATION OF BODY CORPORATE

122. Pursuant to section 113 a body corporate whether a Company within meaning of the Act or not may, if it is a member or creditor of the Company including being a holder of debentures, may authorize such person by a resolution of its Board of Directors, as it thinks fit, to act as its representative at any meeting of members and creditors of the Company.

REPRESENTATION OF THE PRESIDENT OF INDIA OR GOVERNORS

123. The President of India or the Governor of State if he is a member of the Company may appoint such person as he thinks fit to act, as his representative at any meeting of the Company or at any meeting of any class of

members of the Company in accordance with provisions of Section 112 of the Act or any other statutory provision governing the same.

A person appointed to act as aforesaid shall for the purposes of the Act be deemed to be a member of such a Company and shall be entitled to exercise the same rights and powers (including the right to vote by proxy) as the Governor could exercise, as member of the Company.



RESTRICTION ON EXERCISE OF VOTING RIGHT BY MEMBERS WHO HAVE NOT PAID CALLS

124. 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 and/or has exercised its right of lien.

RESTRICTION ON EXERCISE OF VOTING RIGHT IN OTHER CASES TO BE VOID

125. A member is not prohibited from exercising his voting right on the ground that he has not held his share or other interest in the Company for any specified period preceding the date on which the vote is taken, or on any other ground not being a ground set out in Article 124.

HOW MEMBER NON-COMPOS MENTIS MAY VOTE

126. If any member be a lunatic or non-compos mentis, the vote in respect of his share or shares shall be his committee or other legal guardian provided that such evidence of the authority of the person claimed to vote as shall be acceptable by the Board shall have been deposited at the office of the Company not less than forty eight hours before the time of holding a meeting.

INSTRUMENT OF PROXY

127. The instrument appointing a proxy shall be in writing and signed by the appointer or his attorney duly authorized in writing or if the appointer is a body corporate be under its seal or be signed by an officer or attorney duly authorized by it.

INSTRUMENT OF PROXY TO BE DEPOSITED AT OFFICE

128. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority shall be deposited at the registered office of the Company not less than forty eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote and in default, the instrument of proxy shall not be treated as valid. No instrument of proxy shall be valid after the expiration of twelve months from the date of its execution.

WHEN VOTE BY PROXY VALID THOUGH AUTHORITY REVOKED

129. 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 share in respect of which the vote is given. Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjournment meeting at which the proxy is used.

FORM OF PROXY

130. Every instrument of proxy, whether for specified meeting or otherwise shall, as nearly as circumstances will admit,

be in the form Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014.

TIME FOR OBJECTION TO VOTE

131. No objection shall be made to the validity of any vote except at the meeting or poll at which such vote shall be so tendered and every vote whether given personally or by proxy and not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever.

CHAIRMAN OF ANY MEETING TO BE THE JUDGE OF VALIDITY OF ANY VOTE

132. The Chairman of any meeting shall be sole judge of the validity of every vote tendered at such meeting. The Chairman present at the time of taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.

MEMBER PAYING MONEY IN ADVANCE NOT BE ENTITLED TO VOTE IN RESPECT

THEREOF

133. A Member paying the whole or a part of the amount remaining unpaid on any Share held by him although no part of that amount has been called up, shall not be entitled to any voting rights or participate in dividend or profits in respect of moneys so paid by him until the same would but for such payment become presently payable

DIRECTORS

134. 1) Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors shall not be less than three nor more than fifteen.

- 2) The following shall become be the first directors of the company:

- 1. RAJESHKUMAR RAMKUMAR MITTAL**
- 2. PREETI RAJESH MITTAL**
- 3. SHIVSHANKAR MUSHDDILAL AGRAWAL**

INCREASE IN NUMBER OF DIRECTORS TO REQUIRE GOVERNMENT SANCTION

125. The appointment of the Directors exceeding 15 (fifteen) will be subject to the provisions of Section 149 of the Act.

POWER OF DIRECTORS TO APPOINT ADDITIONAL DIRECTORS

135. The Board of Directors shall have the power to appoint any person, other than a person who fails to get appointed as a director in a general meeting, as an additional director at any time who shall hold office up to the date of the next annual general meeting or the last date on which the annual general meeting should have been held, whichever is earlier.

ALTERNATE DIRECTORS

136. The Board of Directors shall have the power to appoint a person, not being a person holding any alternate directorship for any other director in the company, to act as an alternate director for a director during his absence for a period of not less than three months from India:

Provided that no person shall be appointed as an alternate director for an independent director unless he is qualified to be appointed as an independent director under the provisions of this Act:

Provided further that an alternate director shall not hold office for a period longer than that permissible to the director in whose place he has been appointed and shall vacate the office if and when the director in whose place he has been appointed returns to India:

Provided also that if the term of office of the original director is determined before he so returns to India, any provision for the automatic re-appointment of retiring directors in default of another appointment shall apply to the original, and not to the alternate director.

NOMINEE DIRECTORS

137. The Board shall have the power to appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement or by the Central Government or the State Government by virtue of its shareholding in a Government company.

If the office of any director appointed by the company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, in default of and subject to any regulations in the articles of the company, be filled by the Board of Directors at a meeting of the Board:

Provided that any person so appointed shall hold office only up to the date up to which the director in whose place he is appointed would have held office if it had not been vacated.

138. A Director need not hold any qualification shares.

REMUNERATION OF DIRECTORS

139. (1) Subject to the provisions of the Act, a Managing Director or any other Director, who is in the Whole time employment of the Company may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other.
- (2) Subject to the provisions of the Act, a Director who is neither in the Whole-time employment nor a Managing Director may be paid remuneration.

(i) by way of monthly, quarterly or annual payment with the approval of the Central Government: or

(ii) by way of commission if the Company by a special resolution authorises such payments.

- (3) The fees payable to Director (including a Managing or whole-time Director, if any) for attending a meeting of the Board or Committee shall be decided by the Board of Directors from time to time, however the amount thereof shall not exceed limit provided in the Companies Act, 2013 and rules, if any, framed there under.
- (4) if any Director be called upon to perform extra services or special exertion or efforts (which expression shall include work done by a Director as member of any committee formed by the Directors), the Board may arrange with such Directors for such special remuneration for such extra services or special exertions or either by a fixed sum or otherwise as may be determined by the Board and such remuneration may be either in addition to or in substitution for his remuneration above provided subject to the provision of Section 197(4) of the Act.

INCREASE IN REMUNERATION OF DIRECTORS TO REQUIRE GOVERNMENT SANCTION

140. Any provision relating to the remuneration of any Director including the Managing Director or Joint Managing Director or whole time Director or executive Director whether contained in his original appointment or which purports to increase or has the effect of increasing whether directly or indirectly the amount of such remuneration and whether that provisions are contained in the articles or in any agreement entered into by the Board of Directors shall be subject to the provisions of Section 196, 197 and 203 of the Act and in accordance with the conditions specified in Schedule V and to the extent to which such appointment or any provisions for remuneration thereof is not in accordance with the Schedule V, the same shall not have any effect unless approved by the Central Government and shall be effective for such period and be subject to such conditions as may be stipulated by the Central Government and to the extent to which the same is not approved by the Central Government, the same shall become void and not enforceable against the Company.

TRAVELLING EXPENSES INCURRED BY A DIRECTOR NOT A BONAFIDE RESIDENT OR BY DIRECTOR GOING OUT ON COMPANY'S BUSINESS

141. The Board may allow and pay to any Director who is not a bonafide resident of the place where the meetings of the Board or committee thereof are ordinarily held and who shall come to a such place for the purpose of attending any meeting, such sum as the Board may consider fair compensation or for traveling, boarding, lodging and other expenses, in addition to his fee for attending such meeting as above specified and if any Director be called upon to go or reside out of the ordinary place of his residence on the Company's business, he shall be entitled to be repaid and reimbursed any travelling or other expenses, incurred in connection with business of the Company.

DIRECTORS MAY ACT NOTWITHSTANDING ANY VACANCY

142. The continuing Directors may act notwithstanding any vacancy in the Board, but if and so long as the number is reduced below the quorum fixed by the Act or by these Articles 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 for summoning a General Meeting of the Company but for no other purpose.

DISCLOSURE OF INTEREST OF DIRECTORS

143. (1) Every director shall at the first meeting of the Board in which he participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the disclosures already made, then at the first Board meeting held after such change, disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals which shall include the shareholding, in such manner as may be determined by central government.
- (2) Every director of a company who is in any way, whether directly or indirectly, concerned or interested in a contract or arrangement or proposed contract or arrangement entered into or to be entered into—
- (a) with a body corporate in which such director or such director in association with any other director, holds more than two per cent. shareholding of that body corporate, or is a promoter, manager, Chief Executive Officer of that body corporate; or
- (b) with a firm or other entity in which, such director is a partner, owner or member, as the case may be,
- shall disclose the nature of his concern or interest at the meeting of the Board in which the contract or arrangement is discussed and shall not participate in such meeting:
- Provided that where any director who is not so concerned or interested at the time of entering into such contract or arrangement, he shall, if he becomes concerned or interested after the contract or arrangement is entered into, disclose his concern or interest forthwith when he becomes concerned or interested or at the first meeting of the Board held after he becomes so concerned or interested.
- (3) A contract or arrangement entered into by the company without disclosure under sub-section (2) or with participation by a director who is concerned or interested in any way, directly or indirectly, in the contract or arrangement, shall be voidable at the option of the company.
- (4) Nothing in this Article-
- (a) shall be taken to prejudice the operation of any rule of law restricting a director of a company from having any concern or interest in any contract or arrangement with the

company;

(b) shall apply to any contract or arrangement entered into or to be entered into between two companies where any of the directors of the one company or two or more of them together holds or hold not more than two per cent. of the paid-up share capital in the other company.

INTERESTED DIRECTOR NOT TO PARTICIPATE OR VOTE ON BOARD'S PROCEEDINGS

144. No Director of the Company shall, as Director, take any part in the discussion of or vote on any contract or arrangement entered into or to be entered into by or on behalf of the Company if he is in any way whether directly or indirectly, concerned or interested in the contract or arrangement, nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote and if he does vote his vote shall be void, provided however that Directors may vote on any contract of indemnity against any loss which the Directors or any one or more of them may suffer by reason of becoming or being sureties or surety for the Company.

BOARD'S SANCTION TO BE REQUIRED FOR CERTAIN CONTRACTS IN WHICH PARTICULAR DIRECTOR IS INTERESTED

145. (1) Except with the consent of the Board of Directors of the Company and of the Shareholders where applicable, the Company, shall not enter into any contract with a Related Party in contravention of Section 188 of the Act and the Rules made thereunder—

- (i) for the sale, purchase or supply of any goods, materials or services; or
 - (ii) selling or otherwise disposing of, or buying, property of any kind;
 - (iii) leasing of property of any kind;
 - (iv) availing or rendering of any services;
 - (v) appointment of any agent for purchase or sale of goods, materials, services or property;
 - (vi) such Related Party's appointment to any office or place of profit in the Company, its subsidiary company or associate company;
 - (vii) underwriting the subscription of any securities or derivatives thereof, of the Company:
- (2) Nothing contained in clause (1) shall affect any transactions entered into by the Company in its ordinary course of business other than transactions which are not on an arm's length basis.
- (3) Notwithstanding anything contained in clauses (1) and (2) a Related Party may, in circumstances of urgent necessity enter, without obtaining the consent of the Board, into any contract with the Company; but in such a case the consent of the Board shall be obtained at a meeting within three months of the date of which the contract was entered into or such other period as may be prescribed under the Act. (S.188 (3))

- (4) Every consent of the Board required under this Article shall be accorded by a resolution of the Board and the consent required under Clause (1) shall not be deemed to have been given within the meaning of that clause unless the consent is accorded before the contract is entered into or within three months of the date on which it was entered into or such other period as may be prescribed under the Act.
- (5) If the consent is not accorded to any contract under this Article anything done in pursuance of the contract will be voidable at the option of the Board.

SPECIAL DIRECTOR

146. In connection with any collaboration arrangement with any company or corporation or any firm or person for supply of technical know-how and/or machinery or technical advice the directors may authorize such company, corporation, firm or person herein-after in this clause referred to as “collaborator” to appoint from time to time any person as director 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 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 at any time thereafter.

The collaborators 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 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.

It is clarified that every collaborator entitled to appoint a director under this article may appoint one such person as a director and so that if more than one collaborator is so entitled there may be at any time as many special directors as the collaborators eligible to make the appointment.

DIRECTORS' SITTING FEES

147. The fees payable to a Director for attending each Board meeting shall be such Sum as may be fixed by the Board of Directors not exceeding such as may be determined by central government by the Central Government for each of the meetings of the Board or A committee thereof and adjournments thereto attended by him. The directors, Subject to the sanction of the Central Government (if any required) may be paid such higher fees as the Company in General Meeting shall from time to time determine.

DIRECTORS AND MANAGING DIRECTOR MAY CONTRACT WITH COMPANY

148. Subject to the provisions of the Act the Directors (including a Managing Director And whole time Director) shall not be disqualified by reason of his or their office as such from holding office under the Company or from contracting with the Company either as vendor, purchaser, lender, agent, broker, lessor or lessee or Otherwise, nor shall any such contract or any contracts or arrangement entered Into by or on behalf of the Company with any Director or with any company or Partnership of or in which any Director shall be a member or otherwise interested be avoided nor shall any Director so contracting be liable to account to the Company for any profit realized by such contract or arrangement by reason only Of such director holding that office or of the fiduciary relation thereby established, but it is declared that the nature of his interest shall be disclosed as Provided by Section 188 of the Act and in this respect all the provisions of Section 179, 180, 184, 185, 186, 188, 189 and 196 of the Act shall be duly observed and complied with.

DISQUALIFICATION OF THE DIRECTOR

149. (1) A person shall not be eligible for appointment as a director of a company, if -

- (a) he is of unsound mind and stands so declared by a competent court;
- (b) he is an undischarged insolvent;
- (c) he has applied to be adjudicated as an insolvent and his application is pending;
- (d) he has been 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 and a period of five years has not elapsed from the date of expiry of the sentence:

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;

- (e) an order disqualifying him for appointment as a director has been passed by a court or Tribunal and the order is in force;
 - (f) he has not paid any calls in respect of any shares of the company held by him, whether alone or jointly with others, and six months have elapsed from the last day fixed for the payment of the call;
 - (g) he has been convicted of the offence dealing with related party transactions under section 188 at any time during the last preceding five years; or
 - (h) he has not complied with sub-section (3) of section 152.
- (2) No person who is or has been a director of a company which -
- (a) has not filed financial statements or annual returns for any continuous period of three financial years; or
 - (b) has failed to repay the deposits accepted by it or pay interest thereon or to redeem any debentures on the due date or pay interest due thereon or pay any dividend declared and such failure to pay or redeem continues for one year or more shall be eligible to be re-appointed as a director of that company or appointed in other company for a period of five years from the date on which the said company fails to do so.

DIRECTORS VACATING OFFICE

150. The office of a Director shall be vacated if :

- (i) he is found to be of unsound mind by a Court of competent jurisdiction;
- (ii) he applied to be adjudicated an insolvent;
- (iii) he is adjudicated an insolvent;
- (iv) he is convicted by a Court, of any offence involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the expiry of the sentence; 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;
- (v) 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 unless the Central Government by Notification in the Official Gazette removes the disqualification incurred by such failure;
- (vi) he absents himself from all the meetings of the Board of Directors held during a period of twelve months with or without seeking leave of absence of the Board;
- (vii) he is removed in pursuance of Section 169 of Act;
- (viii) having been appointed a Director by virtue of his holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company;
- (ix) he acts in contravention of the provisions of Section 184 of the Act relating to entering into contracts or arrangements in which he is directly or indirectly interested;
- (x) he fails to disclose his interest in any contract or arrangement in which he is directly or indirectly interested, in contravention of the provisions of section 184.

DIRECTOR MAY BE DIRECTOR OF COMPANIES PROMOTED BY THE COMPANY

151. Subject to provisions of Section 203 of the Act, a Director may be or become a director of any company promoted by the Company, or in which it may be interested as a vendor, shareholder, or otherwise and no such Director shall be accountable for any benefit received as director or Shareholder of such company except in so far Section 197 or Section 188 of the Act may be applicable.

RETIREMENT AND ROTATION OF DIRECTORS

RETIREMENT OF DIRECTORS BY ROTATION

152. (1) (a) At every Annual General Meeting, not less than two-thirds of the total number of directors of a company shall -

- (i) be persons whose period of office is liable to determination by retirement of directors by rotation;

and

(ii) save as otherwise expressly provided in this Act, be appointed by the company in general meeting.

- (b) The remaining directors in the case of any such company shall, in default of, and subject to any regulations in the articles of the company, also be appointed by the company in general meeting.
- (c) At the first annual general meeting of a public company held next after the date of the general meeting at which the first directors are appointed in accordance with clauses (a) and (b) and at every subsequent annual general meeting, one-third of such of the directors for the time being as are liable to retire by rotation, or if their number is neither three nor a multiple of three, then, the number nearest to one-third, shall retire from office.
- (d) The directors to retire by rotation at every annual general meeting shall be those who have been longest in 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.
- (e) At the annual general meeting at which a director retires as aforesaid, the company may fill up the vacancy by appointing the retiring director or some other person thereto.

(2)(a) If the vacancy of the retiring director is not so filled-up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a national holiday, till the next succeeding day which is not a holiday, at the same time and place.

- (b) If at the adjourned meeting also, the vacancy of the retiring director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring director shall be deemed to have been re-appointed at the adjourned meeting, unless—

1. at that meeting or at the previous meeting a resolution for the re-appointment of such director has been put to the meeting and lost;

2. the retiring director has, by a notice in writing addressed to the company or its Board of directors, expressed his unwillingness to be so re-appointed;
3. he is not qualified or is disqualified for appointment;
4. a resolution, whether special or ordinary, is required for his appointment or re-appointment by virtue of any provisions of this Act; or
5. section 162 is applicable to the case.

APPOINTMENT OF DIRECTOR TO BE VOTE INDIVIDUALLY

153. (1) At a general meeting of a company, a motion for the appointment of two or more persons as directors of the company by a single resolution shall not be moved unless a proposal to move such a motion has first been agreed to at the meeting without any vote being cast against it.
- (2) A resolution moved in contravention of sub-section (1) shall be void, whether or not any objection was taken when it was moved.
- (3) A motion for approving a person for appointment, or for nominating a person for appointment as a director, shall be treated as a motion for his appointment.
154. (1) A person who is not a retiring director in terms of section 152 shall, subject to the provisions of this Act, be eligible for appointment to the office of a director at any general meeting, if he, or some member intending to propose him as a director, has, not less than fourteen days before the meeting, left at the registered office of the company, a notice in writing under his hand signifying his candidature as a director or, as the case may be, the intention of such member to propose him as a candidate for that office, along with the deposit of one lakh rupees or such higher amount as may be determined by central government which shall be refunded to such person or, as the case may be, to the member, if the person proposed get selected as a director or gets more than twenty-five per cent. of total valid votes cast either on show of hands or on poll on such resolution.
- (2) The company shall inform its members of the candidature of a person for the office of director under sub-section (1) in such manner as may be determined by central government.

RESIGNATION OF DIRECTOR

155. (1) A director may resign from his office by giving a notice in writing to the company and the Board shall on receipt of such notice take note of the same and the company shall intimate the Registrar in

such manner, within such time and in such form as may be determined by central government and shall also place the fact of such resignation in the report of directors laid in the immediately following general meeting by the company:

Provided that a director shall also forward a copy of his resignation along with detailed reasons for the resignation to the Registrar within thirty days of resignation in such manner as may be determined by central government.

- (2) The resignation of a director shall take effect from the date on which the notice is received by the company or the date, if any, specified by the director in the notice, whichever is later:

Provided that the director who has resigned shall be liable even after his resignation for the offences which occurred during his tenure.

- (3) Where all the directors of a company resign from their offices, or vacate their offices under Section 167 of the Act, the promoter or, in his absence, the Central Government shall appoint the required number of directors who shall hold office till the directors are appointed by the company in general meeting.

REGISTER OF DIRECTORS AND KEY MANAGERIAL PERSONNEL AND NOTIFICATION OF CHANGES TO REGISTRAR

156. The Company shall keep at its registered office, a Register of Director, Managing Director, Manager and Secretary and key managerial personnel of the Company containing the particulars as required by Section 170 of the Act and shall send to the Registrar a return in the prescribed form containing the particulars specified in the said register and shall notify to the Registrar any change among its Directors, Managing Directors, Manager, Secretary and key managerial personnel or any of the particulars contained in the register as required by Section 170 of the Act.

APPOINTMENT OF TECHNICAL OR EXECUTIVE DIRECTORS

157. a) The Board of Directors shall have the right from time to time to appoint any person or persons as Technical Director or Executive Director/s and remove any such persons from time to time without assigning any reason whatsoever. A Technical Director or Executive Director shall not be required to hold any qualification shares and shall not be entitled to vote at any meeting of the Board of Directors.
- b) Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.

REMOVAL OF DIRECTORS

REMOVAL OF DIRECTORS

158. (1) A company may, by ordinary resolution, remove a director, not being a director appointed by the Tribunal under section 242, before the expiry of the period of his office after giving him a reasonable opportunity of being heard:

Provided that nothing contained in this sub-section shall apply where the company has availed itself of the option given to it under section 163 to appoint not less than two thirds of the total number of directors according to the principle of proportional representation.

- (2) A special notice shall be required of any resolution, to remove a director under this section, or to appoint somebody in place of a director so removed, at the meeting at which he is removed.
- (3) On receipt of notice of a resolution to remove a director under this section, 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.
- (4) Where notice has been given of a resolution to remove a director under this section and the director concerned makes with respect thereto representation 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,—
 - (a) in any notice of the resolution given to members of the company, state the fact of the representation having been made; and
 - (b) send a copy of the representation to every member of the company to whom notice of the meeting is sent (whether before or after receipt of the 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:

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.

- (5) A vacancy created by the removal of a director under this section may, 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 under sub-section (2).

(6) 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.

(7) If the vacancy is not filled under sub-section (5), 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 re-appointed as a director by the Board of Directors.

(8) 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.

ELIGIBILITY FOR RE-ELECTION

159. A retiring Director shall be eligible for re-election.

PROCEEDINGS OF DIRECTORS

MEETINGS OF BOARD

160. (1) A minimum number of four meetings of its Board of Directors every year in such a manner that not more than one hundred and twenty days shall intervene between two consecutive meetings of the

Board:

Provided that the Central Government may, by notification, direct that the provisions of this sub-section shall not apply in relation to any class or description of companies or shall apply subject to such exceptions, modifications or conditions as may be specified in the notification.

(2) The participation of directors in a meeting of the Board may be either in person or through video conferencing or other audio visual means, as may be determined by central government, which are capable of recording and recognising the participation of the directors and of recording and storing the proceedings of such meetings along with date and time:

Provided that the Central Government may, by notification, specify such matters which shall not be dealt with in a meeting through video conferencing or other audio visual means.

- (3) A meeting of the Board shall be called by giving not less than seven days' notice in writing to every director at his address registered with the company and such notice shall be sent by hand delivery or by post or by electronic means:

Provided that a meeting of the Board may be called at shorter notice to transact urgent business subject to the condition that at least one independent director, if any, shall be present at the meeting:

Provided further that in case of absence of independent directors from such a meeting of the Board, decisions taken at such a meeting shall be circulated to all the directors and shall be final only on ratification thereof by at least one independent director, if any.

QUORUM

161. (1) The quorum for a meeting of the Board of Directors of a company shall be one third of its total strength or two directors, whichever is higher, and the participation of the directors by video conferencing or by other audio visual means shall also be counted for the purposes of quorum under this sub-section.
- (2) 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 and for no other purpose.
- (3) Where at any time the number of interested directors exceeds or is equal to two thirds of the total strength of the Board of Directors, the number of directors who are not interested directors and present at the meeting, being not less than two, shall be the quorum during such time.
- (4) Where a meeting of the Board could not be held for want of quorum, then, unless the articles of the company otherwise provide, the meeting shall automatically stand adjourned to the same day at the same time and place in the next week or if that day is a national holiday till the next succeeding day, which is not a national holiday, at the same time and place.

DECISION OF QUESTIONS

162. Subject to the provisions of the Act, question arising at any meeting of the Board shall be decided by a majority of votes and in case of an equality of votes, the Chairman shall have a second or casting vote.

BOARD MAY APPOINT CHAIRMAN, CO-CHAIRMAN AND VICE CHAIRMAN

163. The Board may elect a Chairman, a Co-Chairman and a Vice Chairman of their Meetings and of the Company and determine the period for which he is to hold office. The Chairman or in his absence the Co-Chairman or the Vice Chairman shall be entitled to take the Chair at every General Meeting, whether Annual or Extraordinary, or if there be no such Chairman or Co-Chairman or Vice Chairman of the Board of Directors, or if at any Meeting neither of these shall be present within fifteen minutes of the time appointed for holding such Meeting, the Directors present may choose one of their members to be the Chairman of the Meeting of their meetings and determine the period for which he is to hold office, but if no such Chairman is elected or if at any meeting the Chairman is not present within ten minutes after the time appointed for holding the meeting, the Directors present may choose one of their members to be the Chairman of the Meeting.

POWER OF BOARD MEETING

164. A meeting of the Board at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions which by or under the Act or the Articles are for the time being vested in or exercisable by the Board generally.

165. Subject to the restrictions contained in Section 179 of the Act, the Board may delegate any of its power to a Committee of the Board consisting of such member or members of its body or any other person as it thinks fit and it may from time to time revoke and discharge any such committee of the Board so formed, shall in the exercise of the power so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by such Committee of the Board in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.

MEETING OF THE COMMITTEE HOW TO BE GOVERNED

166. The meeting and proceedings of any such Committee of the Board consisting of two or more persons shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board, so far as the same are applicable thereto and are not superseded by any regulations made by the Board under the last preceding Article.

DEFECTS IN APPOINTMENT OF DIRECTORS NOT TO INVALIDATE ACTIONS TAKEN

167. No act done by a person as a director shall be deemed to be invalid notwithstanding that it was subsequently noticed that his appointment was invalid by reason of any defect or disqualification or had terminated by virtue of any provision contained in this Act or in the articles of the company:

Provided that nothing in this section shall be deemed to give validity to any act done by the director after his appointment has been noticed by the company to be invalid or to have terminated.

PASSING OF RESOLUTION BY CIRCULATION

168. (1) No resolution shall be deemed to have been duly passed by the Board or by a committee thereof by circulation, unless the resolution has been circulated in draft, together with the necessary papers, if any, to all the directors, or members of the committee, as the case may be, at their addresses

registered with the company in India by hand delivery or by post or by courier, or through such electronic means as may be determined by central government and has been approved by a majority of the directors or members, who are entitled to vote on the resolution:

Provided that, where not less than one-third of the total number of directors of the company for the time being require that any resolution under circulation must be decided at a meeting, the chairperson shall put the resolution to be decided at a meeting of the Board.

- (2) A resolution under sub-section (1) above shall be noted at a subsequent meeting of the Board or the committee thereof, as the case may be, and made part of the minutes of such meeting.

SPECIAL NOTICE

169. Where by any provision contained in the Act or in these Articles special notice is required for any resolution, notice of the intention to move the resolution shall be given to the Company by such number of members holding not less than one per cent. of total voting power or holding shares on which such aggregate sum not exceeding five lakh rupees, as may be prescribed, has been paid-up, not less than fourteen days before the meeting at which it is to be moved exclusive of the day on which the notice is served or deemed to be served and the day of the meeting. The Company shall immediately after the notice of the intention to move any such resolution has been received by it, give its members notice of the resolution in the same manner as it gives notice of the meeting, or if that is not practicable, shall give them notice thereof either by advertisement in a newspaper having an appropriate circulation or in any other mode allowed by these presents not less than seven days before the meeting.

GENERAL POWERS OF THE BOARD

170. (1) The Board of Directors of a company shall be entitled to exercise all such powers, and to do all such acts and things, as the company is authorized to exercise and do:

Provided that in exercising such power or doing such act or thing, the Board shall be subject to the provisions contained in that behalf in this Act, or in the memorandum or articles, or in any regulations not inconsistent therewith and duly made there under, including regulations made by the company in general meeting:

Provided further that the Board shall not exercise any power or do any act or thing which is directed or required, whether under this Act or by the memorandum or articles of the company or otherwise, to be exercised or done by the company in general meeting.
- (2) No regulation made by the company in general meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

CERTAIN POWERS TO BE EXERCISED BY THE BOARD ONLY AT MEETINGS

171. The Board of Directors of a company shall exercise the following powers on behalf of the company by means of resolutions passed at meetings of the Board, namely: -

- (a) to make calls on shareholders in respect of money unpaid on their shares;
- (b) to authorize buy-back of securities under section 68;
- (c) to issue securities, including debentures, whether in or outside India;
- (d) to borrow monies;
- (e) to invest the funds of the company;
- (f) to grant loans or give guarantee or provide security in respect of loans;
- (g) to approve financial statement and the Board's report;
- (h) to diversify the business of the company;
- (i) to approve amalgamation, merger or reconstruction;
- (j) to take over a company or acquire a controlling or substantial stake in another company;
- (k) to make political contributions;
- (l) to appoint or remove key managerial personnel (KMP);
- (m) to take note of appointment(s) or removal(s) of one level below the Key Managerial Personnel;
- (n) to appoint internal auditors and secretarial auditor;
- (o) to take note of disclosure of director's interest and shareholding;
- (p) to buy, sell investments held by the company (other than trade investments) constituting five percent or more of the paid up share capital and free reserve of the investee company;
- (q) to invite and accept or renew public deposits and related matters;
- (r) to review or change the terms and conditions of public deposit;
- (s) to approve quarterly, half yearly and annual financial statements or financial results as the case may be. Provided that the Board may, by a resolution passed at a 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, the principal officer of the branch office, the powers specified in clauses (d) to (f) on such conditions as it may specify:

Nothing in this section 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 specified in this section.

RESTRICTIONS ON POWERS OF BOARD

172. (1) The Board of Directors of a company shall exercise the following powers only with the consent of the company by a special resolution, namely: -
- (a) to 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.
 - (b) to invest otherwise in trust securities the amount of compensation received by it as a result of any merger of amalgamation:
 - (c) to borrow money, where the money to be borrowed, together with the money already borrowed by the company will exceed aggregate of its paid-up share capital and free reserves, apart from temporary loans obtained from the company's bankers in the ordinary course of business:
Provided that the acceptance by a banking company, in the ordinary course of its business, of deposits of money from the public, repayable on demand or otherwise and with drawable by cheque, draft, order or otherwise, shall not be deemed to be a borrowing of monies by the banking company within the meaning of this clause.
 - (d) to remit, or give time for the repayment of, any debt due from a director.
- (2) Every special resolution passed by the company in general meeting in relation to the exercise of the powers referred to in clause (c) of sub-section (1) shall specify the total amount up to which monies may be borrowed by the Board of Directors.
- (3) Nothing contained in clause (a) of sub-section (1) shall affect -
- (a) the title of a buyer or other person who buys or takes on lease any property investment or undertaking as is referred to in that clause, in good faith; or
 - (b) the sale or lease of any property of the company where the ordinary business of the company consists of, or comprises, such selling or leasing.
- (4) Any special resolution passed by the company consenting to the transaction as is referred to in clause (a) of sub-section (1) may stipulate such conditions as may be specified in such resolution, including conditions regarding the use, disposal or investment of the sale proceeds which may result from the transactions:
Provided that this sub-section shall not be deemed to authorise the company to effect any reduction in its capital except in accordance with the provisions contained in this Act.
- (5) No debt incurred by the company in excess of the limit imposed by clause (c) of sub-section (1) 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.



POWER TO BORROW

173. Subject to the provisions of Sections 73 and 180 of the Act, the Board may, from time to time at its discretion and by means of resolutions passed at its meeting accept deposits from members either in advance of calls or otherwise and generally, raise or borrow or secure the payment of any sum or sums of money for the purposes of the Company.

174. All the provisions applicable to nomination facility available to shareholder(s) and debenture holder(s) enumerated in these Articles shall equally apply to deposit holder(s) and the provisions of Section 72 of the Act shall also apply.

THE PAYMENT OR REPAYMENT OF MONEYS BORROWED

175. The payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board of Directors may think fit, and in particular in pursuance of a resolution passed at a meeting of the Board (and not by circular resolution) by the issue of bonds, debentures or debentures stock of the Company, charged upon all or any part of the property of the Company, (both present and future), including its un-called capital for the time being and the debentures and the debenture stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

BONDS, DEBENTURES, ETC. TO BE SUBJECT TO CONTROL OF DIRECTORS

176. Any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company shall be under the control of the Directors who may issue them upon such terms and condition and in such manner and for such consideration as they shall consider to be for the benefit of the Company.

Provided that bonds, debentures, debenture-stock or other securities so issued or to be issued by the Company with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in general meeting.

CONDITION ON WHICH MONEY MAY BE BORROWED

177. The Board may raise or secure the payment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit and in particular by the issue of bonds, perpetual or redeemable debenture-stock or any mortgage, charge or other security on the undertaking of the whole or any part of the Company (both present and future) including its uncalled capital for the time being. The Board shall exercise such power only by means of resolutions passed at its meetings and not by circular resolutions.

TERMS OF ISSUE OF DEBENTURES

178. Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting)

at the General Meeting, appointment of Directors and otherwise Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.

DEBENTURES WITH VOTING RIGHTS NOT BE ISSUED

179. (1) A company may issue debentures with an option to convert such debentures into shares, either wholly or partly at the time of redemption:

Provided that the issue of debentures with an option to convert such debentures into shares, wholly or partly, shall be approved by a special resolution passed at a general meeting.

- (2) No company shall issue any debentures carrying any voting rights.
- (3) Secured debentures may be issued by a company subject to such terms and conditions as may be determined by central government.
- (4) Where debentures are issued by a company under this section, the company shall create a debenture redemption reserve account out of the profits of the company available for payment of dividend and the amount credited to such account shall not be utilized by the company except for the redemption of debentures.
- (5) No company shall issue a prospectus or make an offer or invitation to the public or to its members exceeding five hundred for the subscription of its debentures, unless the company has, before such issue or offer, appointed one or more debenture trustees and the conditions governing the appointment of such trustees shall be such as may be determined by central government.
- (6) A debenture trustee shall take steps to protect the interests of the debentureholders and redress their grievances in accordance with such rules as may be determined by central government.
- (7) Any provision contained in a trust deed for securing the issue of debentures, or in any contract with the debenture-holders secured by a trust deed, shall be void in so far as it would have the effect of exempting a trustee thereof from, or indemnifying him against, any liability for breach of trust, where he fails to show the degree of care and due diligence required of him as a trustee, having regard to the provisions of the trust deed conferring on him any power, authority or discretion:

Provided that the liability of the debenture trustee shall be subject to such exemptions as may be agreed upon by a majority of debenture-holders holding not less than threefourths in value of the total debentures at a meeting held for the purpose.
- (8) A company shall pay interest and redeem the debentures in accordance with the terms and conditions of their issue.

- (9) Where at any time the debenture trustee comes to a conclusion that the assets of the company are insufficient or are likely to become insufficient to discharge the principal amount as and when it becomes due, the debenture trustee may file a petition before the Tribunal and the Tribunal may, after hearing the company and any other person interested in the matter, by order, impose such restrictions on the incurring of any further liabilities by the company as the Tribunal may consider necessary in the interests of the debenture-holders.
- (10) Where a company fails to redeem the debentures on the date of their maturity or fails to pay interest on the debentures when it is due, the Tribunal may, on the application of any or all of the debenture-holders, or debenture trustee and, after hearing the parties concerned, direct, by order, the company to redeem the debentures forthwith on payment of principal and interest due thereon.
- (11) If any default is made in complying with the order of the Tribunal under this section, every officer of the company who is in default shall be punishable with imprisonment for a term which may extend to three years or with fine which shall not be less than two lakh rupees but which may extend to five lakh rupees, or with both.
- (12) A contract with the company to take up and pay for any debentures of the company may be enforced by a decree for specific performance.
- (13) The Central Government may prescribe the procedure, for securing the issue of debentures, the form of debenture trust deed, the procedure for the debenture-holders to inspect the trust deed and to obtain copies thereof, quantum of debenture redemption reserve required to be created and such other matters.

EXECUTION OF INDEMNITY

180. If the Directors or any of them or any other persons shall become personally liable for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity against any loss which the Directors or any one or more of them may suffer by reason of becoming or being sureties or surety for the company.

CERTAIN POWERS OF THE BOARD

181. Without prejudice to the general powers conferred by these Articles and so as not in any way to limit or restrict those powers, but subject however to the provisions of the Act, it is hereby expressly declared that the Board shall have the following powers:

- 1) To pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment, and registration of the Company.
- 2) Subject to Sections 179 and 188 and other applicable provisions of the Act, to purchase or otherwise acquire for the Company any property, movable or immovable, rights or privileges which the Company is authorized to acquire 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 other acquisition to accept such title as the Board may believe or may be advised to be reasonably satisfactory.
- 3) At its discretion and subject to the provisions of the Act, to pay for any property, rights, privileges acquired by or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures, mortgages or other securities of the Company and any such shares may be issued either as fully paid up or with such amount credited as fully paid up thereon as may be agreed upon and any such bonds, debentures, mortgages or other securities may be either specifically charges upon all or any part of the property of the Company including its uncalled capital or not so charges.
- 4) To secure the fulfillment of any contracts, agreements or engagements entered into by the Company by mortgage of charge of all or any of the property of the Company and its uncalled capital for the time being or in such manner as they may think fit.
- 5) To appoint and at its discretion, remove or suspend, such managers, secretaries, officers, clerks, agents and employees for permanent, temporary or special services as it may from time to time think fit and to determine their power and duties and fix their salaries, emoluments remuneration and to require security in such instances and of such amounts as it may think fit.
- 6) To accept from any member subject to the provisions of the Act, a surrender of his share or any part thereof on such terms and condition as shall be agreed.
- 7) 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 any other purpose and to execute and do all such deeds and things as may be required in relation to any such trust and to provide for the remuneration of such trustee or trustees.
- 8) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company and also to compound and allow time for payment or satisfaction of any debts due or any claims or demands by or against the Company and to refer any difference to arbitration and observe and perform the terms of any awards made therein either according to Indian Law or according to Foreign Law and either in India or abroad and observe and perform or challenge any award made therein.
- 9) To refer any claims or demands by or against the Company or any difference to arbitration and observe and perform the awards.
- 10) To act on behalf of the Company in all matters relating to bankruptcy and insolvency.
- 11) To make and give receipts, releases and other discharges for money payable to the Company and for the claims and demands of the Company.

- 12) To open and operate Bank Accounts, to determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purposes.
- 13) Subject to the provisions of the Act and these Articles from time to time to provide for the management of the affairs of the Company in or outside India in such manner as it may think fit and in particular to appoint any person to be the attorneys or agents of the Company with such person (including the power to sub-delegate) and upon such terms as may be thought fit.
- 14) Subject to the provisions of Sections 179, 180, 185 of Act and other applicable provisions of the Act and these Articles, to invest and deal with the moneys of the Company not immediately required for the purpose thereof in or upon such security (not being shares in this Company) or without security and in such manner as it may think fit and from time to time to vary or realize such investments save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.
- 15) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur, any personal liability for the benefit of the Company, such mortgages of the Company's property (present and future) as it thinks fit and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed upon.
- 16) To distribute by way of bonus amongst the staff of the Company a share or shares in the profits of the Company and to give to any Director, officer or other person employed by the Company a commission on the profits of any particular business or transaction and to charge such bonus or commission as a part of working expenses of the Company.
- 17) To provide for the welfare of employees or ex-employees of the Company and the wives and families or the dependents or connections of such persons by building or contributing to the building of houses, dwellings or chawls or by grants of money, pension, gratuity, annuities, allowances, bonuses or other payments or by creating and from time to time subscribing or contributing to, provident fund and other associations institutions, funds or trusts and by providing or subscribing or contributing towards places of instruction or recreations, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit.
- 18) To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or objects which shall have any moral or other claim to support or aid by the Company either by reason of locality of operation or of public and general utility or otherwise.
- 19) Before recommending any dividend, to set aside, out of the profits of the Company, such sums as it may think proper for depreciation or to a depreciation fund or to an insurance fund or as a reserve fund or sinking fund or any special fund to meet contingencies to repay debentures or for debenture-stock or for special dividends or for equalizing dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes (including the purposes referred to in the last two preceding clauses) as the Board of Directors, may in its absolute discretion think conducive to the interest of the Company and subject to Section 292 of the Act to invest the several sums so set aside or so much thereof as is required to be invested, upon such investments (other than shares of this Company) as it may think fit and from time to time deal with and vary such investments and dispose off and apply and expend all or any part thereof for the benefit of the Company, in such manner & for such purposes as the Board of Directors in its absolute discretion think conducive to the interest of the Company notwithstanding that the matters to which the Board of Directors applies or upon which it expends the same or any part thereof may be matters to or upon which the capital moneys of the Company might rightly be applied or expended and to divide the general reserve fund into such special funds as the Board of Directors may think fit with full power to transfer the whole or any portion of a reserve fund or division of reserve fund to another reserve fund and with full power to employ the asset constituting all or any of the above funds including the depreciation fund in the business of the Company or in the purchase or repayment of debentures or debenture-stock and that without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with power however to the Board of Directors at its discretion to

pay or allow to the credit of such funds, interest at such rate as the Board of Directors may think proper.

- 20) To pay and charge to the capital account of the Company any commission or interest lawfully payable the out under the provisions of the Act and of the provision contained in these presents.
- 21) From time to time make, vary and repeal by-laws for regulation of the business of the Company, its officers and servants.
- 22) To redeem redeemable preference shares.
- 23) Subject to provisions of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter in to all such negotiations and contracts and rescind and vary all such contracts and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.
- 24) To undertake any branch or kind of business which the company is expressly or by implication authorized to undertake at such time or times as it shall think fit and to keep in abeyance any such branch or kind of business even though it may have been actually commenced or not, so long as the Board may deem it expedient not to commence or proceed with such branch or kind of business.

APPOINTMENT OF INDEPENDENT DIRECTOR

182. Pursuant to section 149 and rules as may be applicable and subject to the provisions of Schedule IV the company shall appoint such number of independent directors from time to time as may be determined by central government by the Central Government.

Every independent director shall at the first meeting of the Board in which he participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect his status as an independent director, give a declaration that he meets the criteria of independence.

Notwithstanding anything contained in any other provision of this Act, but subject to the provisions of sections 197 and 198, an independent director shall not be entitled to any stock option and may receive remuneration by way of fee provided under sub-section (5) of section 197, reimbursement of expenses for participation in the Board and other meetings and profit related commission as may be approved by the members.

Subject to the provisions of section 152, an independent director shall hold office for a term up to five consecutive years on the Board of a company, but shall be eligible for reappointment on passing of a special resolution by the company and disclosure of such appointment in the Board's report.

No independent director shall hold office for more than two consecutive terms, but such independent director shall be eligible for appointment after the expiration of three years of ceasing to become an independent director:

Provided that an independent director shall not, during the said period of three years, be appointed in or be associated with the company in any other capacity, either directly or indirectly.

Notwithstanding anything contained in this Act - (i) an independent director;

(ii) a non-executive director not being promoter or key managerial personnel,

shall be held liable, only in respect of such acts of omission or commission by a company which had occurred with his knowledge, attributable through Board processes, and with his consent or connivance or where he

had not acted diligently.

The provisions of sub-sections (6) and (7) of section 152 in respect of retirement of directors by rotation shall not be applicable to appointment of independent directors.

KEY MANAGERIAL PERSONNEL

APPOINTMENT OF KEY MANAGERIAL PERSONNEL

183. (1) Subject to the provisions of Sections 203 and other applicable provisions, if any of the Act, Company shall appoint whole-time key managerial personnel by means of a resolution of the Board containing the terms and conditions of the appointment including the remuneration.
- (2) A whole-time key managerial personnel shall not hold office in more than one company except in its subsidiary company at the same time:
- Provided that nothing contained in this sub-clause shall disentitle a key managerial personnel from being a director of any company with the permission of the Board:
- Provided further that whole-time key managerial personnel holding office in more than one company at the same time on the date of commencement of this Act, shall, within a period of six months from such commencement, choose one company, in which he wishes to continue to hold the office of key managerial personnel:
- Provided also that a company may appoint or employ a person as its managing director, if he is the managing director or manager of one, and of not more than one, other company and such appointment or employment is made or approved by a resolution passed at a meeting of the Board with the consent of all the directors present at the meeting and of which meeting, and of the resolution to be moved thereat, specific notice has been given to all the directors then in India.
- (3) If the office of any whole-time key managerial personnel is vacated, the resulting vacancy shall be filled-up by the Board at a meeting of the Board within a period of six months from the date of such vacancy.

REMUNERATION OF KEY MANAGERIAL PERSONNEL

184. The remuneration of Key Managerial Personnel shall from time to time, be fixed by the Board and may be by way of salary or commission or participation in profits or by any or all of these modes or in any other form and shall be subject to the limitations prescribed in Schedule V along with Sections 196 and 197 of the Act.

DIRECTORS MAY CONFER POWER ON MANAGING DIRECTOR

185. Subject to the provisions of the Act and to the restrictions contained in these Articles, Board may from time to time entrust to and confer upon a Managing Director for the time being such of the powers exercisable by the Board under these Articles as it may think fit and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as it thinks expedient.

CERTAIN PERSONS NOT TO BE APPOINTED AS MANAGING DIRECTORS

186. No company shall appoint or continue the employment of any person as managing director, whole-time director or manager who -

(a) is below the age of twenty-one years or has attained the age of seventy years:

Provided that appointment of a person who has attained the age of seventy years may be made by passing a special resolution in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such person;

(b) is an undischarged insolvent or has at any time been adjudged as an insolvent;

(c) has at any time suspended payment to his creditors or makes, or has at anytime made, a composition with them; or

(d) has at any time been convicted by a court of an offence and sentenced for a period of more than six months.

A person shall not be eligible for appointment as a director of a company if such person suffers any of the disqualifications provided under Section 164 of the Act.

187. Special to any contract between him and the Company, a Managing or Wholetime Director shall not, while he continues to hold that office, be subject to retirement by rotation and he shall not be reckoned as a Director for the purpose of determining the rotation of retirement of Directors or in fixing the number of Directors to retire but (subject to the provision of any contract between him and the Company), he shall be subject to the same provisions as to resignation and removal as the Directors of the Company and shall, ipso facto and immediately, cease to be a Managing Director if he ceases to hold the office of Director from any cause.

188. The Company shall not appoint or employ at the same time more than one of the following categories of managerial personnel namely:-

a) Managing Director and

b) Manager.

and shall duly observe the provisions of Section 196 of the Act regarding prohibition of simultaneous appointment of different categories of managerial personnel therein referred to.

THE SECRETARY

189. The Board may, from time to time, appoint and at its discretion, remove any individual (hereinafter called the Secretary) to perform any function which by the Act are to be performed by the Secretary and to execute any other ministerial or administrative duties which may from time to time be assigned to the Secretary by the Board. The Board may also at any time appoint some persons (who need not be the Secretary) to keep the registers required to be kept by the Company. The appointment of Secretary shall conform to the provisions of Section 203 of the Act.

THE SEAL, ITS CUSTODY AND USE

190. The Board of Directors shall provide a Common Seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof and shall provide for the safe custody of the Seal for time being and the Seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board of Directors and except in the presence of at least two Director or such other person as the Directors may appoint for the purpose and the Directors or other persons aforesaid shall sign every instrument to which the Seal of the Company is so affixed in their presence.

MINUTES

191. (1) The Company shall cause minutes of all proceedings of every General Meeting and 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 that, their pages consecutively numbered.
- (2) Each page of every such book shall be initialed or signed and the last Page of the record of proceedings of each meeting in such books shall be dated and signed.
- (a) in the case of minutes of proceedings of a meeting of the Board or of a committee thereof, by the Chairman of the next succeeding meeting.
- (b) In the case of minutes of proceedings of a General Meeting, by the chairman of the same 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 authorized by the Board for the purpose.
192. Minutes of proceedings of every General Meeting and of the proceedings of every meeting of the Board kept in accordance with the provisions of Article 198 above, shall be evidence of the proceedings recorded therein.
193. Where minutes of the proceedings of every General Meeting of the Company or of any meeting of the Board or of a Committee of the Board have been kept in accordance with the provisions of article 199 above then, until the contrary is proved the meeting shall be deemed to have been duly called and held and all proceedings thereat to have duly taken place and in particular all appointments of Directors or liquidators made at the meeting shall be deemed to be Valid.
194. (1) The books containing the minutes of the proceedings of any General Meeting of the Company shall be kept at the registered office of the Company and shall be open for inspection of members without charge between the hours 2 p.m. and 5 p.m. during business hours on each working day except Saturday
- (2) Any member of the Company shall be entitled to be furnished, within seven days after he has made a request in writing in that behalf to the Company, with a copy of any minutes referred above on payment of such sum not exceeding Ten Rupees for every page thereof required to be copied.
- (3) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.
- (4) The minutes of different meetings shall contain a fair and correct summary of proceedings thereat.
- (5) All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meeting.
- (6) In the case of a meeting of the Board of Directors or of a committee of the Board, the minutes shall also contain -
- (a) the names of the directors present at the meeting; and

- (b) in the case of each resolution passed at the meeting, the names of the directors, if any, dissenting from, or not concurring with the resolution.
- (7) Nothing contained in clauses (1) to (6) there shall not be included in the minutes, any matter which, in the opinion of the Chairman of the meeting -
 - (a) is or could reasonably be regarded as defamatory of any person; or
 - (b) is irrelevant or immaterial to the proceedings; or
 - (c) is detrimental to the interests of the company.

The Chairman shall exercise and absolute discretion in regard to the inclusion or non-inclusion of any matters in the minutes on the grounds specified in this clause.

PRESUMPTIONS TO BE DRAWN WHERE MINUTES DULY DRAWN AND SIGNED.

195. Where minutes of the proceedings of any general meeting of the Company or of any meeting of its Board of Directors or of a Committee of the Board have been kept in accordance with the provisions of Section 118 of the act then, until the contrary is proved, the meeting shall be deemed to have been duly called and held, and all proceedings thereat to have duly taken place and in particular all appointments of directors or Liquidators made at the meeting shall be deemed to be valid and the minutes shall be evidence of the proceedings recorded therein.

DIVIDENDS

196. (1) No dividend shall be declared or paid by a company for any financial year except -
- (a) out of the profits of the company for that year arrived at after providing for depreciation or out of the profits of the company for any previous financial year or years arrived at after providing for depreciation in accordance with the provisions of that sub-section and remaining undistributed, or out of both; or
 - (b) out of money provided by the Central Government or a State Government for the payment

of dividend by the company in pursuance of a guarantee given by that Government: Provided that a company may, before the declaration of any dividend in any financial year, transfer such percentage of its profits for that financial year as it may consider appropriate to the reserves of the company:

Provided further that where, owing to inadequacy or absence of profits in any financial year, any company proposes to declare dividend out of the accumulated profits earned by it in previous years and transferred by the company to the reserves, such declaration of dividend shall not be made except in accordance with such rules as may be determined by central government in this behalf:

Provided also that no dividend shall be declared or paid by a company from its reserves other than free reserves.

- (2) The depreciation shall be provided in accordance with the provisions of Schedule II of the act.
- (3) The Board of Directors of a company may declare interim dividend during any financial year out of

the surplus in the profit and loss account and out of profits of the financial year in which such interim dividend is sought to be declared:

Provided that in case the company has incurred loss during the current financial year up to the end of the quarter immediately preceding the date of declaration of interim dividend, such interim dividend shall not be declared at a rate higher than the average dividends declared by the company during the immediately preceding three financial years.

- (4) The amount of the dividend, including interim dividend, shall be deposited in a scheduled bank in a separate account within five days from the date of declaration of such dividend.
- (5) No dividend shall be paid by a company in respect of any share therein except to the registered shareholder of such share or to his order or to his banker and shall not be payable except in cash: Provided that nothing in this sub-section shall be deemed to prohibit the capitalization of profits or reserves of a company for the purpose of issuing fully paid-up bonus shares or paying up any amount for the time being unpaid on any shares held by the members of the company: Provided further that any dividend payable in cash may be paid by cheque or warrant or in any electronic mode to the shareholder entitled to the payment of the dividend.
- (6) A company which fails to comply with the provisions of sections 73 and 74 shall not, so long as such failure continues, declare any dividend on its equity shares.

DIVIDEND TO JOINT HOLDERS

197. Any one of several persons who are registered as joint holders of any Shares may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such Shares.

198. 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.

No amount paid or credited as paid on a share in advance of calls shall be treated as paid up on the share.

APPORTIONMENT OF DIVIDENDS

199. All dividends shall be apportioned and paid proportionate 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.

DECLARATION OF DIVIDENDS

200. The Company in General Meeting may, subject to the provisions of Section 123 of the Act, declared a dividend to



be paid to the members according to their right and interests in the profits and may fix the time for payment.

RESTRICTION ON AMOUNT OF DIVIDEND

201. No larger dividend shall be declared than is recommended by the Board, but the Company in General Meeting may declare a smaller dividend.

DIVIDEND OUT OF PROFITS ONLY AND NOT TO CARRY INTEREST

202. (1) No dividend shall be payable except out of the profits of the Company arrived at as stated in Section 123 of the Act.

(2) The declaration of the Board as to the amount of the net profits of the Company shall be conclusive.

INTERIM DIVIDENDS

203. The Board of Directors may from time to time pay the members such interim dividends as appears to it to be justified by the profits of the Company in accordance with Section 123 of the Act.

DEBTS MAY BE DEDUCTED

204. The Board may retain any dividends payable on shares on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which lien exists.

DIVIDEND AND CALL TOGETHER

205. Any General Meeting declaring an dividend may make a call on the members of such amount as the meeting fixes but so that the call on each members shall not exceed the dividend payable on him and so that the call may be made payable at the same time as the dividend and dividend may; if so arranged between the Company and the member, be set off against the call.

EFFECT OF TRANSFER

206. Right to dividend, right shares and bonus shares shall be held in abeyance pending registration of transfer of shares in conformity with the provision of Section 126 of the Act.

RETENTION IN CERTAIN CASES

207. The Board may retain the dividends payable upon share in respect of which any person is under Articles entitled to become a member of which any person under that Article is entitled to transfer until such person shall become a member in respect of such shares or shall duly transfer the same. [check drafting]

NO MEMBER TO RECEIVE INTEREST OR DIVIDEND WHILST INDEBTED TO THE COMPANY AND

COMPANY'S RIGHT TO REIMBURSEMENT THERE OUT

208. No member shall be entitled to receive payment of an interest or dividend in respect of his own share or shares whilst any money may be due or owing from him to the Company in respect of such share or shares otherwise howsoever either alone or jointly with any other person or persons and the Board may deduct from the interest or dividend payable to any shareholder all sums or money so due from him to the Company.

PAYMENT BY POST

209. Any dividend payable in cash may be paid by cheque or warrant sent through the post directly to the registered address of the shareholder entitled to the payment of the dividend or in the case of joint shareholders to the registered address of that one whose name stands first on the Register of Members in respect of the joint shareholding or to such persons and to such address as the shareholders of the joint shareholders may in writing direct and every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent and the Company shall not be responsible or liable for any cheque or warrant lost in transit or for any dividend lost to the member or person entitled thereto by the forged endorsement of any cheque or warrant or the fraudulent recovery thereof by any other means. The Company may, if it thinks fit, call upon the shareholders when applying for dividends or bonus to produce their share certificates at the registered office or other place where the payment of dividend is to be made.

DIVIDEND TO BE PAID WITHIN THIRTY DAYS

210. The Company shall pay dividend or send the warrant in respect thereof to the shareholder entitled to the payment of the dividend within Thirty days from the date of the declaration of the dividend unless:

- (a) the dividend could not be paid by reason of the operation of any law or
- (b) a shareholder has given directions to the Company regarding the payment of dividend and these directions can not be complied with or
- (c) there is dispute, regarding the right to receive the dividend or
- (d) the dividend has been lawfully adjusted by the Company against any sum due to it from the shareholder or
- (e) for any other reason, the failure to pay the dividend or to post the warrant within the period aforesaid was not due to any default on the part of the Company.

UNPAID OR UNCLAIMED DIVIDEND

211. (1) 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 to any shareholder entitled to the payment of the dividend, the company shall, within seven days from the date of expiry of the said period of 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.
- (2) The company shall, within a period of ninety days of making any transfer of an amount under sub-

section (1) to the Unpaid Dividend Account, prepare a statement containing the names, their last known addresses and the unpaid dividend to be paid to each person and place it on the website of the company, if any, and also on any other website approved by the Central Government for this purpose, in such form, manner and other particulars as may be determined by central government.

- (3) If any default is made in transferring the total amount referred to in sub-section (1) or any part thereof to the Unpaid Dividend Account of the company, it shall pay, from the date of such default, interest on so much of the amount as has not been transferred to the said account, at the rate of twelve per cent. per annum and the interest accruing on such amount shall endure to the benefit of the members of the company in proportion to the amount remaining unpaid to them.
- (4) Any person claiming to be entitled to any money transferred under sub-section (1) to the Unpaid Dividend Account of the company may apply to the company for payment of the money claimed.
- (5) Any money transferred to the Unpaid Dividend Account of a company in pursuance of this section

which remains unpaid or unclaimed for a period of seven years from the date of such transfer shall be transferred by the company along with interest accrued, if any, thereon to the Fund established under sub-section (1) of section 125 and the company shall send a statement in the prescribed form of the details of such transfer to the authority which administers the said Fund and that authority shall issue a receipt to the company as evidence of such transfer.

- (6) All shares in respect of which unpaid or unclaimed dividend has been transferred under sub-section (5) shall also be transferred by the company in the name of Investor Education and Protection Fund along with a statement containing such details as may be determined by central government and that there shall be no forfeiture of unclaimed dividends before the claim becomes barred by law:

Provided that any claimant of shares transferred above shall be entitled to claim the transfer of shares from Investor Education and Protection Fund in accordance with such procedure and on submission of such documents as may be determined by central government.

CAPITALIZATION OF RESERVES

212. (a) Any General Meeting may, upon the recommendation of the Board resolve that any moneys, investments or other assets forming part of the undistributed profits of the Company standing to the credit of any of the profit and loss account or any capital redemption reserve fund or in hands of the Company and available for dividend or representing premium received on the issue of shares and standing to the credit of the share premium account be capitalized and distributed amongst such of the shareholders as would be entitled to receive the same if distributed by way of dividend and in the same proportions on the footing that they become entitled thereto as capital and that all or any part of such capitalized fund shall not be paid in cash but shall be applied subject to the provisions contained in clause (b) hereof on behalf of such shareholders in full or towards:

- (1) Paying either at par or at such premium as the resolution may provide any unissued shares or debentures or debenture-stock of the Company which shall be allotted, distributed and credited as fully paid up to and amongst such members in the proportions aforesaid; or
- (2) Paying up any amounts for the time being remaining unpaid on any shares or debentures or debenture-stock held by such members respectively; or

- (3) Paying up partly in the way specified in sub-clause (1) and partly in that specified in sub-clause (2) and that such distribution or payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalized sum.
- (b) (1) Any moneys, investments or other assets representing premium received on the issue of shares and standing to the credit of share premium account; and
- (2) If the Company shall have redeemed any redeemable preference shares, all or any part of any capital redemption fund arising from the redemption of such shares may, by resolution of the Company be applied only in paying up unissued shares of the Company to be issued to members of the Company as fully paid bonus shares to be issued to such members of the Company as the General Meeting may resolve upto an amount equal to the nominal amount of the shares so issued.
- (c) Any General Meeting may resolve that any surplus moneys arising from the realization of any capital assets of the Company or any investments representing the same or any other undistributed profits of the Company not subject to charge for income-tax be distributed amongst the members on the footing that they receive the same as capital.
- (d) For the purpose of giving effect to any such resolution, the Board may settle any difficulty which may arise in regard to the distribution of payment as aforesaid as it thinks expedient and in particular it may issue fractional certificates and may fix the value for distribution of any specific assets and may determine that cash payments be made to any members on the footing of the value so fixed and may vest any such cash, share, debentures, debenture-stock, bonds or other obligation in trustees upon such trust for the persons entitled thereto as may seem expedient to the Board and generally may make such arrangement for acceptance, allotment and sale of such shares, debentures, debenture-stock, bonds or other obligations and fractional certificates or otherwise as it may think fit.
- (e) If and whenever any share becomes held by any member in fraction, the Board may subject to the provisions of the Act and these Articles and to the directions of the Company in General Meeting, if any, sell the shares which members hold in fractions for the best price reasonably obtainable and shall pay and distribute to and amongst the members entitled to such shares in due proportion the net proceeds of the sale thereof, for the purpose of giving effect to any such sale, the Board may authorize any person to transfer the shares sold to the purchaser thereof, comprised in any such transfer and he 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 of invalidity in the proceedings with reference to the sale.
- (f) Where required; a proper contract shall be delivered to the Registrar for registration in accordance with Section 39 of the Companies Act 2013 and the Board may appoint any person to sign such contract on behalf of the persons entitled to the dividend or capitalized fund and such appointment shall be effective.

FRACTIONAL CERTIFICATES

213. (1) Whenever such a resolution as aforesaid shall have been passed, the Board shall;
- (a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid Shares and
- (b) Generally do all acts and things required to give effect thereto.

(2) The Board shall have full power:

- (a) to make such provision by the issue of fractional cash certificate or by payment in cash or otherwise as it thinks fit, in the case of Shares becoming distributable in fractions, also
- (b) to authorize any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further Shares to which they may be entitled upon such capitalization or (as the case may require) for the payment by the Company on their behalf by the application thereof of the respective proportions of the profits resolved to be capitalised of the amounts remaining unpaid on their existing Shares.

(3) Any agreement made under such authority shall be effective and binding on all such Members.

(4) that for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any question or difficulties that may arise in regard to any issue including distribution of new Shares and fractional certificates as they think fit.

DIVIDEND IN CASH

214. No dividends shall be payable except in cash, provided that nothing in this Article shall be deemed to prohibit the capitalization of the profits or reserves of the Company for the purpose of issuing fully paid up bonus Shares or paying up any amount for the time being unpaid on any Shares held by Members of the Company.

215. The Board shall give effect to the resolution passed by the Company in pursuance of all the above Articles.

BOOKS OF ACCOUNTS

BOOKS OF ACCOUNTS TO BE KEPT

216. The Company shall cause to be kept proper books of account with respect to:

- (i) all sums of money received and expended by a company and matters in relation to which the receipts and expenditure take place;
- (ii) all sales and purchases of goods and services by the company;
- (iii) the assets and liabilities of the company; and
- (iii) the items of cost as may be determined by central government under section 148 in the case of a company which belongs to any class of companies specified under that section;

BOOKS WHERE TO BE KEPT AND INSPECTION

217. (1) Every company shall prepare and keep at its registered office books of account and other relevant books

and papers and financial statement for every financial year which give a true and fair view of the state of the affairs of the company, including that of its branch office or offices, if any, and explain the transactions effected both at the registered office and its branches and such books shall be kept on accrual basis and according to the double entry system of accounting.

All or any of the books of account aforesaid and other relevant papers may be kept at such other place in India as the Board of Directors may decide and where such a decision is taken, the company shall, within seven days thereof, file with the Registrar a notice in writing giving the full address of that other place. The company may keep such books of account or other relevant papers in electronic mode in such manner as may be determined by central government.

- (2) Where a company has a branch office in India or outside India, it shall be deemed to have complied with the provisions of sub-clause (1), if proper books of account relating to the transactions effected at the branch office are kept at that office and proper summarized returns periodically are sent by the branch office to the company at its registered office or the other place referred to in sub-clause (1).
- (3) The books of account of every company relating to a period of not less than eight financial years immediately preceding a financial year, or where the company had been in existence for a period less than eight years, in respect of all the preceding years together with the vouchers relevant to any entry in such books of account shall be kept in good order.
- (4) The Company may keep such books of accounts or other relevant papers in electronic mode in such manner as may be prescribed.

INSPECTION BY MEMBERS

218. The Board of Directors shall, from time to time, determine whether and to what extent and at what times and places and under what conditions or regulations accounts the and books and the documents of the Company or any of them shall be open to the inspection of the members and no member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred statute or authorised by the Board of Directors or by a resolution of the Company in General Meeting.

TRANSFER BOOKS AND REGISTER OF MEMBERS WHEN CLOSED

219. The Board shall have power on giving not less than seven days' previous notice by advertisement in some newspaper circulating in the district in which the office of the Company is situated, to close the Transfer books, the Register of members or Register of debenture holders at such time or times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty-five days in each year.

If the transfer books have not been closed at any time during a year, the Company shall at least once a year, close the books at the time of its Annual General Meeting. The minimum time gap between the two book closures and/or record dates would be atleast 30 (thirty) days.

STATEMENT OF ACCOUNTS TO BE LAID IN GENERAL MEETING

220. The Board of Directors shall from time to time, in accordance with Sections 129 and 134 of the Act, cause to be prepared and to be laid before the Company in General Meeting, such Balance Sheets, Profits & Loss Accounts and reports as are required by these Sections.

FINANCIAL STATEMENT

221. Subject to the provisions of Section 129 of the Act, every Financial Statement of the Company shall be in the forms



set out in Schedule II of the Act, or as near there to as circumstances admit. So long as the Company is a holding Company having a subsidiary the Company shall conform to Section 129 and other applicable provisions of the Act.

If in the opinion of the Board, any of the current assets of the Company have not a value on realization in the ordinary course of business at least equal to the amount at which they are stated, the fact that the Board is of that opinion shall be stated.

AUTHENTICATION OF FINANCIAL STATEMENT

222. The Financial Statements shall be signed in accordance with the provisions of Section 134 of the said Act. The Financial Statement, shall be approved by the Board of Directors before they are submitted to the auditors for report thereon Profit and Loss Accounts to be Annexed and Auditors' Report to be attached to the Balance Sheet. The Profit and Loss Account shall be annexed to the Balance and the Auditors' Report including the Auditor's separate, special or supplementary report, if any, shall be attached thereon.

BOARD'S REPORT TO BE ATTACHED TO FINANCIAL STATEMENT

223. Every Financial Statement laid before the Company in General Meeting shall have attached to it a Report by the Board of Directors with respect to the State of the Company's affairs and such other matters as prescribed under Section 134 of the Act and the Rules made thereunder. The Report shall so far as it is material for the appreciation of the state of the Company's affairs by its members and will not in the Board's opinion be harmful to the business of the Company or of any of its subsidiaries deal with any changes which have occurred during the financial year in the nature of the Company of Company's business, or of the Company's subsidiaries or in the nature of the business in which the Company has an interest. The board shall also give the fullest information and explanation in its Report or in cases falling under the proviso to Section 129 of the Act in an addendum to that Report, on every reservation, qualification or adverse remark contained in the Auditor's Report. The Board's Report and addendum (if any) thereto shall be signed by its Chairman if he is authorized in that behalf by the Board; and where he is not so authorized shall be signed by such number of Directors as are required to sign the Financial Statements of the Company by virtue of sub-clauses (a) and (b) of Article 229. The Board shall have the right to charge any person not being a Director with the duty of seeing that the provisions of sub-clauses (a) and (b) of this Article are complied with. Every Financial Statement of the Company when audited and approved and adopted by the members in the annual general meeting shall be conclusive except as regards in matters in respect of which modifications are made thereto as may from time to time be considered necessary by the Board of Directors and or considered proper by reason of any provisions of relevant applicable statutes and approved by the shareholders at a subsequent general meeting.

RIGHT OF MEMBERS TO COPIES OF FINANCIAL STATEMENT AND AUDITOR'S REPORT

224. A copy of every Financial Statement and the auditor's report and every other document required by law to be annexed or attached, as the case may be; to the balance sheet which is to be laid before the Company in General Meeting, shall be made available for inspection at the Registered Office of the Company during the working hours for a period of 21 days before the date of the meeting. A statement containing the salient features of such documents in the prescribed form or copies of the documents aforesaid as may be permitted by Section 136 of the Act and as the Company may deem fit, will be sent to every member of the Company and to every Trustees for the holders of any debentures issued by the Company, not less than 21 days before the meeting as laid down in Section 136 of the Act. Provided that it shall not be necessary to send copies of the documents aforesaid to:

- (a) to a member or holder of the debenture of the Company who is not entitled to have the notice of general meeting of the Company sent to him and whose address the Company is unaware;

- (b) to more than one of the joint holder of any shares or debentures some of whom are and some of whom are not entitled to have such notice sent to them, by those who are not so entitled.

A COPY OF THE FINANCIAL STATEMENT ETC. TO BE FILED WITH REGISTRAR

225. After the Financial Statements have been laid before the Company at the annual general Meeting, a copy of the Financial Statement duly signed as provided under Section 137 of the Act together with a copy of all documents which are required to be annexed there shall be filed with the Registrar so far as the same be applicable to the Company.

RIGHT OF MEMBER TO COPIES OF AUDITED FINANCIAL STATEMENT

- 226.(1) Without prejudice to the provisions of section 101, a copy of the financial statements, including consolidated financial statements, if any, auditor's report and every other document required by law to be annexed or attached to the financial statements, which are to be laid before a company in its general meeting, shall be sent to every member of the company, to every trustee for the debenture-holder of any debentures issued by the company, and to all persons other than such member or trustee, being the person so entitled, not less than twenty-one days before the date of the meeting.

The provisions of this clause shall be deemed to be complied with, if the copies of the documents are made available for inspection at its registered office during working hours for a period of twenty-one days before the date of the meeting and a statement containing the salient features of such documents in the prescribed form or copies of the documents, as the company may deem fit, is sent to every member of the company and to every trustee for the holders of any debentures issued by the company not less than twenty-one days before the date of the meeting unless the shareholders ask for full financial statements.

The Central Government may prescribe the manner of circulation of financial statements of companies having such net worth and turnover as may be determined by central government and company shall also place its financial statements including consolidated financial statements, if any, and all other documents required to be attached thereto, on its website, which is maintained by or on behalf of the company.

Provided also that every subsidiary or subsidiaries shall -

- (a) place separate audited accounts in respect of each of its subsidiary on its website, if any;
- (b) provide a copy of separate audited financial statements in respect of each of its subsidiary, to any shareholder of the company who asks for it.
- (2) A company shall allow every member or trustee of the holder of any debentures issued by the company to inspect the documents stated under sub-clause (1) at its registered office during business hours.

ACCOUNTS TO BE AUDITED

227. (1) Once at least in every year they accounts of the Company shall be examined by one or more Auditors who shall report to the shareholders as to whether the Balance Sheet reflects a true and fair view of the state of affairs of the Company as at that date and the Profit and Loss Account discloses a true and

fair view of the profit and loss incurred by the Company during the year under review.

- (2) The appointment, remuneration, rights, powers & duties of the Company's Auditor shall be regulated in accordance with the provision of the Act.

APPOINTMENT OF AUDITORS

228. (1) Auditors shall be appointed and their qualifications, rights and duties regulated in accordance with Section 139 to 143, 145 and 146 of the Act and rules made thereunder.

- (2) The Company shall, at the first annual general meeting, appoint an individual or a firm as an auditor who shall hold office from the conclusion of that meeting till the conclusion of its sixth annual general meeting and thereafter till the conclusion of every sixth meeting and the manner and procedure of selection of auditors by the members of the company at such meeting shall be according to the provisions of the Act.

Provided that the company shall place the matter relating to such appointment for ratification by members at every annual general meeting.

Provided further that before such appointment is made, the written consent of the auditor to such appointment, and a certificate from him or it that the appointment, if made, shall be in accordance with the conditions as may be determined by central government, shall be obtained from the auditor:

Provided also that the certificate shall also indicate whether the auditor satisfies the criteria provided in Section 141:

Provided also that the company shall inform the auditor concerned of his or its appointment, and also file a notice of such appointment with the Registrar within fifteen days of the meeting in which the auditor is appointed.

- (3) At any Annual General Meeting a retiring Auditor by whatsoever authority appointed shall be reappointed unless:

(a) he is not disqualified for re-appointment;

(b) he has not given the company a notice in writing of his unwillingness to be re-appointed; and

(c) a special resolution has not been passed at that meeting appointing some other auditor or providing expressly that he shall not be re-appointed.

- (4) The company shall not appoint or reappoint -

(a) an individual as auditor for more than one term of five consecutive years;
and (b) an audit firm as auditor for more than two terms of five consecutive years:

Provided that—

(i) an individual auditor who has completed his term under clause (a) shall not be eligible for re-appointment as auditor in the same company for five years from the completion of his term.

(ii) an audit firm which has completed its term under clause (b), shall not be eligible for re-appointment as auditor in the same company for five years from the completion of such term.

- (5) Where at any annual general meeting, no auditor is appointed or re-appointed, the existing auditor

shall continue to be the auditor of the company.

POWER OF BOARD TO MODIFY FINAL ACCOUNTS

229. Every Balance Sheet and Profit and Loss Account of the Company when audited and adopted by the Company in General Meeting shall be conclusive.

DOCUMENTS AND NOTICE

SERVICES OF DOCUMENTS ON MEMBER BY COMPANY

230. Save as provided in this Act or the rules made thereunder for filing of documents with the Registrar in electronic mode, a document may be served on Registrar or any member by sending it to him by post or by registered post or by speed post or by courier or by delivering at his office or address, or by such electronic or other mode as may be determined by central government:

Provided that a member may request for delivery of any document through a particular mode, for which he shall pay such fees as may be determined by the company in its annual general meeting.

SERVICE OF DOCUMENTS ON COMPANY

231. A document may be served on a company or an officer thereof by sending it to the company or the officer at the registered office of the company by registered post or by speed post or by courier service or by leaving it at its registered office or by means of such electronic or other mode as may be determined by central government:

Provided that where securities are held with a depository, the records of the beneficial ownership may be served by such depository on the company by means of electronic or other mode.

“Service of documents on the Company”

232. Where securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or other mode in accordance with the Act and rules made thereunder.

AUTHENTICATION OF DOCUMENTS AND PROCEEDINGS

233. Save as otherwise expressly provided in the Act, the rules made thereunder and these Articles, a document or proceeding requiring authentication by a company; or contracts made by or on behalf of a company, may be signed by any key managerial personnel or an officer of the company duly authorized by the Board in this behalf.

REGISTERS AND DOCUMENTS

REGISTERS AND DOCUMENTS TO BE MAINTAINED BY THE COMPANY

234. The Company shall keep and maintain registers, books and documents required by the Act or these Articles, including the following:

- (a) Register of investments made by the Company but not held in its own name, as required by Section 187(3) of the Act.
- (b) Register of mortgages and charges as required by Section 85 of the Act.
- (c) Register and index of Member and debenture holders as required by Section 88 of the Act.
- (d) Register of contracts, with companies and firms in which Directors are interested as required by Section 189 of the Act.
- (e) Register of Directors and key managerial personnel and their shareholding under Section 170 of the Act.
- (f) Register of loans, guarantee, security and acquisition made by the company under Section 186 (9) of the Act.
- (g) Copies of annual returns prepared under Section 92 of the Act together with the copies of certificates and documents required to be annexed thereto.

MAINTENANCE AND INSPECTION OF DOCUMENTS IN ELECTRONIC FORM

235. Without prejudice to any other provisions of this Act, any document, record, register, minutes, etc.,—
- (a) required to be kept by a company; or
 - (b) allowed to be inspected or copies to be given to any person by a company under this Act, may be kept or inspected or copies given, as the case may be, in electronic form in such form and manner as may be determined by the Central Government.

INDEMNITY

236. 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.

WINDING UP

DISTRIBUTION OF ASSETS

237. (a) If the Company shall be wound up, whether voluntarily or otherwise, the Liquidator may, with the sanction of a Special Resolution, divide amongst the contributories in specie or kind, any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories or any of them, as the liquidator, with the like sanction, shall think fit.
- (b) If thought expedient any such division may subject to the provisions of the Act be otherwise than in

accordance with the legal rights of the contributions (except where unalterably fixed by the Memorandum of Association and in particular any class may be given preferential or special rights or may be excluded altogether or in part but in case any division otherwise than in accordance with the legal rights of the contributories, shall be determined on any contributory who would be prejudicial thereby shall have a right to dissent and ancillary rights as if such determination were a Special Resolution passed pursuant to Section 319 of the Act.

- (c) In case any Shares to be divided as aforesaid involve a liability to calls or otherwise any person entitled under such division to any of the said Shares may within ten days after the passing of the Special Resolution by notice in writing direct the Liquidator to sell his proportion and pay him the net proceeds and the Liquidator shall, if practicable act accordingly.

RIGHT OF SHAREHOLDERS IN CASE OF SALE

238. A Special Resolution sanctioning a sale to any other Company duly passed pursuant to provisions of the Companies Act, 2013 may subject to the provisions of the Act in like manner as aforesaid determine that any Shares or other consideration receivable by the liquidator be distributed against the Members otherwise than in accordance with their existing rights and any such determination shall be binding upon all the Members subject to the rights of dissent and consequential rights conferred by the said sanction

SECURITY CLAUSE

239. No member or other person (not being a Director) shall be entitled to visit or inspect any property or premises or works of the Company without the permission of the Board or to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process or any other matter which may relate to the conduct of the business of the Company and which in the opinion of the Board, it would be inexpedient in the interest of the Company to disclose Security undertaking.
240. Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee agents, officer, servant, accountant or other person employed in the business of the Company shall, when required, sign a declaration pledging himself to observe strict secrecy respecting all transactions of the Company with the customers and the state of accounts with individual and in matters relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties, except when required so to do by the Board or by any meeting of the shareholders, if any or by a Court of Law the person to whom matters relate and except so far as may be necessary in order to comply with any of the provision in these present contained.

KNOWLEDGE IMPLIED

241. Each member of the Company, present and future, is to be deemed to join the Company with full knowledge of all the contents of these presents.

Section X: Other Information

List of Material Contracts and Documents for Inspection

The following contracts and agreements referred to (not being contracts entered into in the ordinary course of business carried on or intended to be carried on by the Company or contracts entered into more than two years before this Draft Prospectus), which are or may be deemed to be material have been entered into by or on behalf of the Company. Copies of these contracts together with copies of documents referred under material documents below all of which have been attached to the copy of this Draft Prospectus and have been delivered to the SME platform of BSE Limited and may be inspected at the Registered Office of the Company situated at 83/84, Village Piplaj, Pirana Road, Aslali, Ahmedabad- 382 427 , between 10:30 am to 5:30 pm on any working day from the date of this Draft Prospectus until the date of closure of the subscription List.

Material Contracts

1. Memorandum of Understanding dated April 18, 2016 between our Company and the Lead Manager to the Issue.
2. Memorandum of Understanding dated February 3, 2016 entered into with Karvy Computershare Private Limited to appointing them as the Registrar to the Issue.
3. Market Making Agreement dated April 18, 2016 between our Company, Lead Manager and Market Maker.
4. Underwriting Agreement dated April 18, 2016 between our Company and Underwriter.
5. Copy of tripartite agreement dated February 23, 2016 between NSDL, our Company and Karvy Computershare Private Ltd
6. Copy of tripartite agreement dated March 07, 2016 between CDSL, our Company and Karvy Computershare Private Ltd

Material Documents

7. Memorandum and Articles of Association of our Company as amended from time to time.
8. Copy of Certificate of Incorporation of our Company.
9. Copy of the resolution passed at the meeting of the Board of Directors held on February 23, 2016 approving the issue.
10. Copy of the resolution passed by the shareholders of our Company under section 62(1) (c) at the EGM held on March 19, 2016.
11. Consents of the Directors, Company Secretary & Compliance Officer, Chief Financial Officer, Statutory Auditor, Peer Review Auditor, Lead Manager to the Issue, Underwriter, Market Maker, Banker to the Issue, Registrar to the Issue and Legal Advisor to the Issue to include their names in the Draft Prospectus to act in their respective capacities.
12. Copies of Annual Reports of our Company for the preceding financial years viz. 2010-11, 2011-12, 2012-13, 2013-14 and 2014-2015 Audited Financials for the period ended December 31, 2015.
13. Audit report and restated financial information issued by Peer Review Auditors i.e. M/s. Devpura Navlakha & Co, Chartered Accountants, dated February 27, 2016 included in the Draft Prospectus.
14. Letter dated February 22, 2016 from the statutory Auditors of our Company, M/s. C.P. Shah & CO., Chartered Accountants, detailing the tax benefits.
15. Copy of certificate from the Statutory Auditor of our Company, M/s. C.P. Shah & CO., Chartered Accountants,

dated April, 15, 2016 regarding the sources and deployment of funds as on April, 15, 2016.

16. Due Diligence Certificate dated May 19, 2016 to be submitted to BSE and Due Diligence Certificate dated [•] to be submitted to SEBI from Lead Manager viz. Guinness Corporate Advisors Private Limited along with the filing of the Prospectus.
17. Copy of approval from BSE vide letter dated [•] to use the name of BSE in this offer document for listing of Equity Shares on SME Platform of BSE.
18. Copy of EGM resolution dated January 08, 2016 appointing Mr. Rajesh Kumar R. Mittal as the Managing Director of our Company for period of 5 years w.e.f. January 08, 2016.

Any of the contracts or documents mentioned in this Draft Prospectus may be amended or modified at any time, if so required, in the interest of our Company or if required by the other parties, without reference to the shareholders, subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

Declaration

All the relevant provisions of the Companies Act, 1956, Companies Act, 2013 (to the extent notified) and the guidelines issued by the Government of India or the regulations issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 1956, Companies Act, 2013 (to the extent notified) the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations issued, as the case may be. We further certify that all statements in this Draft Prospectus are true and correct.

Signed by all the Directors of our Company:

Name and Designation	Signature
Mr. Rajesh kumar R.Mittal (Managing Director)	Sd/-
Ms. Preeti R Mittal (Executive Director)	Sd/
Mr. Shankar P Bhagat (Non-Executive Independent Director)	Sd/
Mr. Paras K Shah (Non-Executive Independent Director)	Sd/
Mr. Saurin S Shah (Non-Executive Independent Director)	Sd/

Signed by Company Secretary & Compliance Officer and Chief Financial Officer of our Company:

Sd/-

Mr.Neel G.Sukhani
(Company Secretary & Compliance Officer)

Sd/-

Ms. Preeti R.Mittal
(Chief Financial Officer)

Date: May 19,2016

Place: Ahmedabad