



TEJASWI PACKAGING LIMITED

CIN: U63010TG1996PLC023241

Our Company was originally incorporated as Tejaswi Packaging Private Limited on February 16, 1996 with the Registrar of Companies, Andhra Pradesh under the provisions of the Companies Act, 1956. Subsequently our Company was converted into Public Limited Company and the name of our Company was changed to Tejaswi Packaging Limited. A fresh certificate of incorporation consequent upon conversion to public limited Company was issued by the Registrar of Companies, Andhra Pradesh & Telangana on January 24 2018. For further details of our Company, please refer “General Information” and “Our History and Certain Other Corporate Matter” beginning on page no 40 and 97 respectively of this Draft Prospectus.

Registered Office: Plot No 6A, Phase I, IDA, Cherlapally, Ranga Reddy, Andhra Pradesh, Telangana-500 051

Contact Person: Ms. Ekta Sharma, Company Secretary and Compliance Officer

Tel. No.: + 91 040 2726 1451, 9912 890 853 **Website:** www.tejaswipackaging.com; **E-Mail ID:** compliance@tejaswipackaging.com

PROMOTERS: Mr. Alapathy Hari Hara Prasad, Mrs. Alapathy Aruna, Mr. Alapathy Siva Sankara Prasad and Mr. Alapathy Kranthi Teja

THE ISSUE
PUBLIC ISSUE OF 23,06,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH FULLY PAID UP OF “TPL” OR “THE COMPANY” OR “THE ISSUER” FOR CASH AT A PRICE OF ₹ 59.00 PER EQUITY SHARE (THE “ISSUE PRICE”) (INCLUDING SHARE PREMIUM OF ₹49.00 PER EQUITY SHARE) AGGREGATING ₹1360.54 LAKHS (THE “ISSUE”) BY OUR COMPANY OF WHICH 1,58,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH FULLY PAID UP WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (“MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 21, 48,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH FULLY PAID UP IS HEREINAFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 36.00% AND 33.53% RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF THE COMPANY
THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10 EACH. THE ISSUE PRICE IS ₹ 59.00. THE ISSUE PRICE IS 5.90 TIMES THE FACE VALUE.
THIS ISSUE IS BEING IN TERMS OF CHAPTER XB OF THE SEBI (ICDR) REGULATIONS, 2009 (AS AMENDED FROM TIME TO TIME) <i>For further details please refer to “Issue Information” beginning on page no 169 of this Draft Prospectus.</i>
RISK IN RELATION TO THE FIRST ISSUE
This being the first issue of Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹10 and the Issue Price is 5.90 times of the face value. The Issue Price (as determined and justified by the Company and the Lead Manager as stated under chapter titled “Basis for Issue Price” beginning on page no 62 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 and/or sustained trading in the Equity Shares of our Company or regarding the price at which the Equity Shares will be traded after listing.
GENERAL RISKS
Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the Risk Factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”) nor does SEBI guarantee the accuracy or adequacy of this Draft Prospectus. Specific attention of the investors is invited to the section titled “Risk Factors” on page no 14 of this Draft Prospectus.
COMPANY’S ABSOLUTE RESPONSIBILITY
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and the Issue, which is material in the context of this Issue; that the information contained in this Draft Prospectus is true and correct in all material aspects and is not misleading in any material respect; that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.
LISTING
The Equity Shares of our Company issued through this Draft Prospectus are proposed to be listed on the SME Platform of National Stock Exchange of India Limited (“NSE EMERGE”). In terms of the Chapter XB of the SEBI ICDR Regulations, 2009 as amended from time to time, our Company has received an in principle approval letter dated [.] from National Stock Exchange of India Limited for using its name in this issue document for listing of our shares on the SME Platform of National Stock Exchange of India Limited. For the purpose of this issue, NSE EMERGE shall be the Designated Stock Exchange.

LEAD MANAGER TO THE ISSUE		REGISTRAR TO THE ISSUE	
	<p>Mark Corporate Advisors Private Limited CIN: U67190MH2008PTC181996 404/1, The Summit Business Bay, Sant Janabai Road (Service Lane), Off W. E. Highway, Vile Parle (East), Mumbai-400 057. Contact Person: Mr. Manish Gaur Tel. No.: +91 22 2612 3207/08 E-Mail ID: smeipo@markcorporateadvisors.com SEBI Regn No.: INM000012128 Investor Grievance Email:investorgrievance@markcorporateadvisors.com</p>		<p>Bigshare Services Private Limited 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai- 400 059 Contact Person: Mr.Srinivas Dornala Tel No.: +91 22 62638200 Fax .:+91 022 62638299 E-Mail ID: ipo@bigshareonline.com SEBI Regn No.: INR000001385</p>
ISSUE PROGRAMME			
Issue Opens On:	[.]	Issue Closes on:	[.]

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SECTION 1 - GENERAL INFORMATION

DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates or implies, the following terms shall have the meanings provided below in this Draft Prospectus, and references to any statute or regulations or policies will include any amendments or re-enactments thereto, from time to time. In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given below shall prevail.

The words and expressions used but not defined herein shall have the same meaning as is assigned to such terms under the SEBI (ICDR) Regulations, the Companies Act 1956/2013, the SCRA, the Depositories Act and the rules and regulations made thereunder.

General Terms:

Term(s)	Description
‘Our Company’ or ‘The Company’ or ‘The Issuer’	Tejaswi Packaging Limited, a company incorporated under the Companies Act, 1956 and having its Registered office at Plot No 6A, Phase I,IDA, Cherlapally, Ranga Reddy, Telangana- 500 051
‘we’, ‘us’ or ‘our’	Unless the context otherwise indicates or implies, refers to our Company together with its Subsidiaries

Company related Terms:

Term(s)	Description
Administrative Office	Plot No 6A, Phase I,IDA, Cherlapally, Ranga Reddy, Telangana- 500 051
Articles/Articles of Association/AOA	Unless the context otherwise requires, refers to the Articles of Association of our Company, as amended from time to time.
Auditor/Statutory Auditor	The Auditor of the Company being Karvy & Co., Chartered Accountants, Hyderabad
Bankers to Our Company	Central Bank of India, Gudimalkapur Branch, Hyderabad
Board/Board of Directors/Our Board	The Board of Directors of our Company, as duly constituted from time to time, or committee(s) thereof
CFO	The Chief Financial Officer of our Company being Mrs. D Sunitha
Chairman	The Chairman of our Company, namely Mr. Alapaty Hari Hara Prasad
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company being Ms. Ekta Sharma
Director(s)	The Director(s) on the Board of Our Company as appointed from time to time, unless otherwise specified
Equity Shares	Equity Shares of our Company of face value of ₹10 each
Equity Shareholders	The holders of Equity Shares of our Company
Key Managerial Personnel/KMP	Key Managerial Personnel of our Company in terms of the SEBI (ICDR) Regulations, 2009 and Companies Act, 2013. For details, please refer “ <i>Our Management</i> ” on page no 101 of this Draft Prospectus
Memorandum/Memorandum of Association/MOA	The Memorandum of Association of our Company, as amended from time to time.
Materiality Policy	The policy adopted by our Board on April 02, 2018 for identification of group companies of our Company, outstanding litigation and outstanding dues to creditors in respect of our Company, pursuant to the disclosure requirements under the SEBI ICDR Regulations.

Term(s)	Description
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 allowed to invest in this Issue.
Peer Reviewed Auditor	M/s. Karvy & Co, Chartered Accountants, having its Registered Office at No 2, Bhooma Plaza, St. No 4, Avenue 7, Banjara Hills. Hyderabad
Promoters/Our Promoters	Promoters of Our Company namely Mrs. Alapaty Aruna, Mr. Alapaty Hari Hara Prasad, Mr. Alapati Siva Sankara Prasad and Mr. Alapati Kranthi Teja. For details, please refer “ <i>Our Promoters and Promoter Group</i> ” on page no 113 of this Draft Prospectus
Promoter Group	Persons and entities constituting the Promoter Group of our Company in terms of Regulation 2(1)(zb) of the SEBI (ICDR) Regulations, 2009. For details, please refer “ <i>Our Promoters and Promoter Group</i> ” on page no 113 of this Draft Prospectus.
Registered Office	Plot No 6A, Phase I,IDA, Cherlapally, Ranga Reddy, Hyderabad ,Telangana - 500 051
RoC	Registrar of Companies, Andhra Pradesh & Telangana.
Tejaswi Packaging Limited/ Tejaswi Packaging /TPL/The Company/our Company/we/us/our and the Issuer Company	Tejaswi Packaging Limited, a Public Limited Company incorporated under the provisions of the Companies Act, 1956 as per Memorandum of Association.

Issue related Terms:

Term(s)	Description
Allocation/Allocation of Equity Shares	The Allocation of Equity Shares of our Company pursuant to Fresh Issue of Equity Shares to the successful Applicants
Allotment/Allot/Allotted	Issue an allotment of Equity Shares of our Company pursuant to Fresh Issue of the Equity Shares to the successful Applicants
Allottee(s)	Successful Applicants to whom Equity Shares of our Company shall have been allotted
Applicant	Any prospective investor who makes an application for Equity Shares of our Company in terms of this Draft Prospectus
Application Amount	The amount at which the Applicant makes an application for Equity Shares of our Company in terms of this Draft Prospectus
Application Form	The Form in terms of which the prospective investors shall apply for our Equity Shares in the Issue
Application Supported by Blocked Amount/ASBA	The application (whether physical or electronic) by an Applicant to make an Application authorizing the relevant SCSB to block the Application Amount in the relevant ASBA Account Pursuant to SEBI Circular dated November 10, 2015 and bearing Reference No.CIR/CFD/POLICYCELL/11/2015 which shall be applicable for all public issues opening on or after January 01, 2016, all potential investors shall participate in the Issue only through ASBA process providing details about the bank account which will be blocked by the SCSBs
ASBA Account	Account maintained with an SCSB and specified in the Application Form which will be blocked by such SCSB to the extent of the

Term(s)	Description
	appropriate Application Amount in relation to an Application by an Applicant
ASBA Application Location(s)/Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs viz, Mumbai, New Delhi, Chennai, Kolkata, Ahmedabad, Rajkot, Bangalore, Hyderabad, Pune, Baroda and Surat
ASBA Bid	A Bid made by an ASBA Bidder
ASBA Investor/ASBA Applicant	Any prospective investor(s)/applicants(s) in this Issue who apply (ies) through the ASBA process in terms of this Draft Prospectus.
Banker(s) to the Issue/Escrow Collection Bank	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account will be opened and in this case, being [•] Limited
Basis of Allotment	The basis on which Equity Shares will be Allotted to the successful Applicants under the Issue and which is described under chapter titled “ <i>Issue Procedure</i> ” beginning on page no 177 of this Draft Prospectus
Bid	An indication to make an offer during the Bid/Issue Period by a Bidder pursuant to submission of the Bid cum Application Form, or during the Anchor Investor Bid/Issue Period by the Anchor Investors, to subscribe to or purchase the Equity Shares of our Company at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI Regulations
Bid Amount	Highest value of optional Bids indicated in the Bid cum Application Form and payable by the Bidder upon submission of the Bid
Bid Lot	2000 Equity Shares
Broker Centre’s	Broker Centre’s notified by the Stock Exchanges, where the Applicants can submit the Application Forms to a Registered Broker. The details of such Broker Centre’s, along with the name and contact details of the Registered Brokers, are available on the website of the NSE on the following link www.nseindia.com
Broker to the Issue	All recognized members of the stock exchange would be eligible to act as the Broker to the Issue
CAN/Allotment advice	The note or advice or intimation of Allotment, sent to each successful Applicant who has been or is to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange i.e National Stock Exchange of India Limited (“NSE-EMERGE”)
Client ID	Client identification number of the Applicant’s beneficiary account
Collecting Depository Participant/ CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Controlling Branches of the SCSBs	Such branches of the SCSBs which co-ordinate applications under this Issue by the ASBA Applicants with the Lead Manager, Registrar to the Issue and the Stock Exchange and a list of which is available at http://www.sebi.gov.in , or at such other website as may be prescribed by SEBI from time to time
Demographic Details	The demographic details of the Applicants such as their address, PAN, occupation and bank account details
Depository	A Depository registered with SEBI under SEBI (Depositories and Participant) Regulations, 1996
Depository Participant/DP	A Depository Participant as defined under the Depositories Act.
Designated CDP Locations	Such locations of the CDPs where Applicants can submit the Application Forms to Collecting Depository Participants. The details

Term(s)	Description
	of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the website of the Stock Exchange i.e. www.nseindia.com
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms from the ASBA Applicants 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
Designated Date	The date on which funds are transferred from the amount blocked by the SCSBs is transferred from the ASBA Account to the Public Issue Account, as appropriate, after the Issue is closed, following which the Equity Shares shall be allotted/transfer to the successful Applicants
Designated Intermediaries/Collecting Agent	An SCSB with whom the bank account to be blocked, is maintained, a syndicate member(or sub-syndicate member), a Registered Broker, Designated CDP Locations for CDP, a registrar to an issue and Share Transfer Agent (RTA) (whose names is mentioned on website of the Stock Exchange as eligible for this activity)
Designated Market Maker/Market Maker	In our case, [•] having its Registered office at [•]
Designated RTA Locations	Such locations of the RTAs where Applicants can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the website of the Stock Exchange.
Designated Stock Exchange	National Stock Exchange of India
Draft Prospectus	The Draft Prospectus dated June 11, 2018 issued in accordance with Section 26 of the Companies Act, 2013 and filed with the NSE under SEBI (ICDR) Regulations, 2009
Eligible NRIs	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom this Draft Prospectus constitutes an invitation to subscribe to the Equity Shares offered herein
Eligible QFIs	Qualified Foreign Investors 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 Draft Prospectus constitutes an invitation to purchase the Equity Shares offered thereby and who have opened dematerialized accounts with SEBI registered qualified depository participants as QFIs and are deemed as FPIs under the SEBI (Foreign Portfolio Investors) Regulations, 2014
Public Issue Account(s)	Account(s) opened with the Public Issue Bank/Banker for the Issue
Public Issue Account/ Agreement	Agreement entered into by our Company, the Registrar to the Issue, the Lead Manager, and the Public Issue Bank to the Issue for collection of the Application Amounts
First/Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form
General Information Document/GID	The General Information Document for investing in public issues prepared and issued in accordance with the circulars (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 notified by the SEBI and included in “ <i>Issue Procedure</i> ” on page 177 of this Draft Prospectus

Term(s)	Description
Issue/Issue Size/ Initial Public Issue/ Initial Public Offer/Initial Public Offering/Initial Public Offering/ IPO	Public Issue of 23,06,000 Equity Shares of face value of ₹10 each fully paid of Tejaswi Packaging Limited for cash at a price of ₹ 59.00 per Equity Share (including a premium of ₹ 49.00 per Equity Share) aggregating ₹1360.54 Lakhs.
Memorandum of Understanding/ MoU	The agreement dated May 19, 2018 between our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue
Indian GAAP	Generally Accepted Principles in India
Independent Director	A non-executive & independent director as per the Companies Act, 2013 and Listing Regulations
ISIN Number	International Securities Identification Number in this case being INE00G901016
Issue Opening Date	The date on which Issue opens for subscription
Issue Closing Date	The date on which Issue closes for subscription
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both the days during which prospective Investors may submit their application
Issue Price	The price at which the Equity Shares are being issued by our Company under this Draft Prospectus being ₹59.00 per Equity Share of face value of ₹10 each fully paid up
Issue Proceeds	Proceeds from the fresh Issue that will be available to our Company, being ₹1360.54 Lakhs
Listing Agreement	The Equity Listing Agreement to be signed between our Company and National Stock Exchange of India Limited
Lead Manager	Lead Manager to the Issue, in this case being Mark Corporate Advisors Private Limited, a SEBI Registered Merchant Banker
Market Making Agreement	Market Making Agreement dated [-] between Our Company, LM and Market Maker
Market Maker	Market Maker appointed by our Company, in this case being [Name of the Market Maker] who has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for any other period as may be notified by SEBI from time to time
Market Maker Reservation Portion	The Reserved Portion of 1,58,000 Equity Shares of face value of ₹ 10 each fully paid for cash at a price of ₹ 59.00 per Equity Share aggregating ₹ 93.22 Lakhs for the Market Maker in this Issue
Mutual Fund(s)	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
Net Issue	The Issue excluding the Market Maker Reservation Portion of 21,48,000 Equity Shares of face value of ₹10 each fully paid for cash at a price of ₹ 59.00 Equity Share aggregating ₹ 1267.32 Lakhs by our Company
Net Proceeds	The Issue Proceeds, less the Issue related expenses, received by the Company. For further information about use of the Issue Proceeds and the Issue expenses, please refer to the chapter titled “Objects of the Issue” beginning on page no 56 of this Draft Prospectus
Non-Institutional Investors	All Applicants that are not Qualified Institutional Buyers or Retail Individual Investors and who have Applied for Equity Shares for an amount more than ₹ 2,00,000
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the

Term(s)	Description
	Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue
Payment through electronic transfer of funds	Payment through NECS, NEFT or Direct Credit, as applicable.
Person/Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires
Prospectus	The Prospectus to be filed with RoC containing, inter-alia, the issue opening and closing dates and other information
Public Issue Account	Account opened with the Banker to the Issue/Public Issue Bank i.e. ICICI Bank Limited by our Company to receive monies from SCSBs from the bank accounts of the ASBA Applicants on the Designated Date
Qualified Institutional Buyers or QIBs	QIBs, as defined under the SEBI ICDR Regulations, including public financial institutions as specified in Section 2(72) of the Companies Act, 2013 scheduled commercial banks, mutual fund registered with SEBI, FII and sub-account (other than a sub-account which is a foreign corporate or foreign individual) registered with SEBI, Multilateral and Bilateral Development ,Financial Institution, Venture Capital Fund registered with SEBI, Foreign Venture Capital Investor registered with SEBI, State Industrial Development Corporation, Insurance Company registered with Insurance Regulatory and Development Authority, Provident Fund with minimum corpus of ₹2,500 Lakhs, Pension Fund with minimum corpus of ₹2,500 Lakhs, NIF, Insurance Funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India
Refund Account (s)	Account(s) to which monies to be refunded to the Applicants shall be transferred from the Public Issue Account in case listing of the Equity Shares does not occur
Registered Brokers	Stock Brokers registered with the Stock Exchanges having nationwide terminals
Registrar/Registrar to the Issue	Bigshare Services Private Limited having Registered Office at 1 st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makhwana Road, Marol, Andheri (E), Mumbai-400 059
Retail Individual Investor	Individual Applicants, or minors applying through their natural guardians, including HUFs (applying through their Karta) and ASBA Applicants, who apply for an amount less than or equal to ₹2,00,000
Revision Form	The form used by the Applicants to modify the quantity of Equity Shares in any of their Application Forms or any previous Revision Form(s)
Self-Certified Syndicate Banker/ SCSB	Shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the service of making Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time
SME Platform of NSE/SME Exchange/ NSE Emerge	The SME Platform of NSE for listing of equity shares offered under Chapter XB of the SEBI (ICDR) Regulations
Underwriters	[·] Limited

Term(s)	Description
Underwriting Agreement	The agreement dated [·] entered into between the Underwriters and our Company
Working Day	“Working Day” means all days, other than second and fourth Saturday of the month, Sunday or a public holiday, on which commercial banks in Mumbai are open for business; provided however, with reference to Issue Period, “Working Day” shall mean all days, excluding all Saturdays, Sundays or a public holiday, on which commercial banks in Mumbai are open for business; and with reference to the time period between the Issue Closing Date and the listing of the Equity Shares on the SME Exchange of National Stock Exchange of India Limited, “Working Day” shall mean all trading days of National Stock Exchange of India Limited, excluding Sundays and bank holidays, as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016

Technical and Industry Related Terms:

Term(s)	Description
FAO	Food And Agricultural Organization
FMCG	Fast-Moving Consumer Goods
GMP	Good Manufacturing Practices
ISI	Indian Standards Institute
ISO	International Organization for Standardization
MNC's	Multi-National Companies
SSI	Small Scale Industries

Conventional and General Terms or Abbreviations:

Term(s)	Description
A/c	Account
Act	The Companies Act, 2013
AGM	Annual General Meeting
Articles	Articles of Association of the Company framed in pursuance of this Act
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India
AY	Assessment Year
ASBA	Applications Supported by Blocked Amount
BIFR	Board for Industrial and Financial Reconstruction
CAGR	Compounded Annual Growth Rate
CCI	Competition Commission of India
CDSL	Central Depository Services (India) Limited
CESTAT	Customs, Excise and Service Tax Appellate Tribunal
CENVAT	Central Value Added Tax
CIN	Corporate Identification Number
Companies Act	Companies Act, 2013
CSO	Central Statistical Organization
Depositories	NSDL and CDSL, Depositories registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
DIN	Director Identification Number
DP	Depository Participant

Term(s)	Description
DP ID	Depository Participant's Identity
DB	Designated Branch
EBIDTA	Earnings before Interest, Depreciation, Tax, Amortization and extraordinary items
ECS	Electronic Clearing Services
EGM	Extraordinary General Meeting
ESIC	Employee State Insurance Corporation
ESOP	Employee Stock Option Plan
EPS	Earnings per Share
FDI	Foreign Direct Investment
FCNR Account	Foreign Currency Non-Resident Account
FEMA	Foreign Exchange Management Act, as amended from time to time and the regulations framed there under
FEMA Regulations	FEMA (Transfer or Issue of Security by Person Resident Outside India) Regulations, 2000 and amendments thereto.
FII(s)	Foreign Institutional Investors
FIIs	Financial Institutions
FIPB	The Foreign Investment Promotion Board, Ministry of Finance, Government of India
FV	Face Value
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000
FY	Financial Year
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product
GOI	Government of India.
HNI	High Net Worth Individual
HUF	Hindu Undivided Family
ICDR Regulations/ SEBI Regulations/ SEBI (ICDR)Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time
Indian GAAP	Generally accepted accounting principles in India
ICAI	Institute of Chartered Accountants of India
ICSI	Institute of Company Secretaries of India
IFRS	International financial reporting standards
Ind AS	Indian Accounting Standards
IPC	Indian Penal Code
IPO	Initial Public Offering
IPR	Intellectual Property Right
IT	Information Technology
IT Act	The Income-tax Act, 1961 as amended from time to time except as stated otherwise
IT Rules	The Income-tax Rules, 1962, as amended from time to time
INR	Indian National Rupee
JV	Joint venture
KMP	The officers declared as a Key Managerial/Management Personnel and as mentioned in the chapter titled "Our Management" beginning on page 101 of this Draft Prospectus.
Ltd.	Limited
MBA	Master in Business Administration
M.Com	Master Degree in Commerce
MD	Managing Director
MoU	Memorandum of Understanding

Term(s)	Description
MNC	Multinational Corporation
N/A or NA	Not Applicable
NAV	Net Asset Value
NECS	National Electronic Clearing Services
NEFT	National Electronic Fund Transfer
Net Worth	The aggregate of the paid-up share capital, share premium account, and reserves and surplus (excluding revaluation reserve) as reduced by the aggregate of miscellaneous expenditure (to the extent not adjusted or written off) and the debit balance of the profit and loss account
NOC	No Objection Certificate
NPV	Net Present Value
NR	Non-Resident
NRE Account	Non-Resident External Account
NRI	Non-Resident Indian, is a person resident outside India, who is a citizen of India or a person of Indian origin and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time
NRO Account	Non-Resident Ordinary Account
NSDL	National Securities Depository Limited
p.a.	per annum
PAN	Permanent Account Number
PAT	Profit After Tax
Pvt.	Private
PBT	Profit Before Tax
P/E Ratio	Price Earnings Ratio
POA	Power of Attorney
PIO	Persons of Indian Origin
QIB	Qualified Institutional Buyer
RBI	Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934, as amended from time to time
Ron	Return on Net Worth.
Rs./INR/₹	Indian Rupees
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SCSB	Self-Certified Syndicate Bank
SEBI	Securities and Exchange Board of India.
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time.
SEBI Depository Regulations	Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
SEBI LODR Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Insider Trading Regulations	The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, including instructions and clarifications issued by SEBI from time to time

Term(s)	Description
SEBI Takeover Regulations/Takeover Regulations/Takeover Code	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time, including instructions and clarifications issued by SEBI from time to time
Sec	Section
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time
SSI Undertaking	Small Scale Industrial Undertaking
Stock Exchange(s)	NSE SME Emerge
Sq.	Square
Sq. Mtr.	Square Meter
TAN	Tax Deduction Account Number
TRS	Transaction Registration Slip
TIN	Taxpayers Identification Number
TNW	Total Net Worth
u/s	Under Section
UIN	Unique Identification Number
US/ U.S. / USA	United States of America
USD or US\$	United States Dollar
U.S. GAAP	Generally accepted accounting principles in the United States of America
UOI	Union of India
Venture Capital Fund(s)/VCF(s)	Venture capital funds as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as amended from time to time
WDV	Written Down Value
w.e.f.	With effect from
YoY	Year over Year

Notwithstanding the foregoing:

- 1) In 'Main Provisions of the Articles of Association' beginning on page no 219 of this Draft Prospectus, defined terms shall have the meaning given to such terms in that section.
- 2) In 'Summary of Our Business' and 'Our Business' on page no's 33 and 79 respectively, of this Draft Prospectus, defined terms shall have the meaning given to such terms in that section.
- 3) In 'Risk Factors' on page no 14 of this Draft Prospectus, defined terms shall have the meaning given to such terms in that section.
- 4) In 'Statement of Possible Special Tax Benefits' on page no 64 of this Draft Prospectus, defined terms shall have the meaning given to such terms in that section.
- 5) In 'Management's Discussion and Analysis of Financial Conditions and Results of Operations' on page no 143 of this Draft Prospectus, defined terms shall have the meaning given to such terms in that section.

USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF PRESENTATION

In this Draft Prospectus, the terms “we”, “us”, “our”, the “Company”, “our Company”, “Tejaswi Packaging Limited” and “TPL”, unless the context otherwise indicates or implies, refers to Tejaswi Packaging Limited.

Financial Data

Unless stated otherwise, the financial data in this Draft Prospectus is derived from our restated financial statements for the financial years ended March 31, 2013, 2014, 2015, 2016 and 2017 and Nine Months period ended on December 31, 2017 prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations and the Indian GAAP which are included in this Draft Prospectus, and set out in ‘*Financial Statements*’ on page no. 120 of this Draft Prospectus.

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

There are significant differences between the Indian GAAP, the International Financial Reporting Standards (the “IFRS”) and the Generally Accepted Accounting Principles in the United States of America (the “U.S. GAAP”). Accordingly, the degree to which the financial statements included in this Draft Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices, the Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations on the financial disclosures presented in this Draft Prospectus should accordingly be limited. We have not attempted to quantify the impact of the IFRS or the U.S. GAAP on the financial data included in this Draft Prospectus, nor do we provide a reconciliation of our financial statements to those under the U.S. GAAP or the IFRS and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

Certain figures contained in this Draft Prospectus, including financial information, have been subject to rounding adjustments. All decimals have been rounded off to two decimal points, except for figures in percentage. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. However, where any figures that may have been sourced from third-party industry sources are rounded off to other than two decimal points in their respective sources, such figures appear in this Draft Prospectus as rounded off to such number of decimal points as provided in such respective sources.

Currency and units of Presentation

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

Any percentage amounts, as set forth in “Risk Factors”, “Our Business”, “Management’s Discussion and Analysis of Financial 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.

Industry and Market Data

Unless stated otherwise, industry and market data used throughout this Draft Prospectus has been obtained or derived from internal Company reports and industry and government publications, publicly available information and sources. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although, our Company believes that industry data used in this Draft Prospectus is reliable, it has not been independently verified.

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

FORWARD LOOKING STATEMENTS

All statements contained in this Draft Prospectus that are not statements of historical facts constitute ‘forward-looking statements’. All statements regarding our expected financial condition and results of operations, business, objectives, strategies, plans, goals and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, our revenue and profitability, planned projects and other matters discussed in this Draft Prospectus regarding matters that are not historical facts. These forward looking statements and any other projections contained in this Draft Prospectus (whether made by us or any third party) are predictions and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections.

These forward looking statements can generally be identified by words or phrases such as “will”, “aim”, “will likely result”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “project”, “should”, “will pursue” and similar expressions or variations of such expressions. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

- General economic and business conditions in the markets in which we operate and in the local, regional and national and international economies;
- Our ability to successfully implement strategy, growth and expansion plans and technological initiatives;
- Our ability to respond to technological changes;
- Our ability to attract and retain qualified personnel;
- The effect of wage pressures, seasonal hiring patterns and the time required to train and productively utilize new employees;
- General social and political conditions in India which have an impact on our business activities or investments;
- Potential mergers, acquisitions restructurings and increased competition;
- Occurrences of natural disasters or calamities affecting the areas in which we have operations;
- Market fluctuations and industry dynamics beyond our control;
- Changes in the competition landscape;
- Our ability to finance our business growth and obtain financing on favourable terms;
- Our ability to manage our growth effectively;
- Our ability to compete effectively, particularly in new markets and businesses;
- Changes in laws and regulations relating to the industry in which we operate changes in government policies and regulatory actions that apply to or affect our business;
- Developments affecting the Indian economy; and
- Inability to meet our obligations, including repayment, financial and other covenants under our debt financing arrangements.

For a further discussion of factors that could cause our current plans and expectations and actual results to differ, please refer ‘Risk Factors’, ‘Our Business’ and ‘Management’s Discussion and Analysis of Financial Condition and Results of Operations’ on page no’s 14, 79 and 143 respectively of this Draft Prospectus.

Forward looking statements reflects views as of the date of this Draft Prospectus and not a guarantee of future performance. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Neither our Company/our Directors nor the Lead Managers, nor any of its affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company and the Lead Managers will ensure that investors in India are informed of material developments until such time as the listing and trading permission is granted by the Stock Exchange.

SECTION II - RISK FACTORS

An investment in our Equity Shares involves a high degree of financial risk and you should carefully consider all information disclosed in this Draft Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. The risk factors set forth below are not exhaustive and do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. If any, or some combination, of the following risks actually occurs, our business, prospects, results of operations and financial condition could suffer; the trading price of our Equity Shares could decline and you may lose all or part of your investment. In making an investment decision, prospective investors must rely on their own examination of our Company and the Offer, including the merits and risks involved. Additional risks and uncertainties, whether known or unknown, may in the future have material adverse effect on our business, financial condition and results of operations, or which we currently deem immaterial, may arise or become material in the future. Unless specified or quantified in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other risks mentioned herein. Investors are advised to read the risk factors carefully before taking an investment decision in this Offer. Investors should not invest in this Offer unless they are prepared to accept the risk of losing all or part of their investment, and they should consult their tax, financial and legal advisors about the particular consequences to you of an investment in the Equity Shares.

This Draft Prospectus also contains forward-looking statements that involve risks and uncertainties. We have described the risks and uncertainties that our management believes are material, but these risks and uncertainties may not be the only ones we face. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including events described below and elsewhere in this Draft Prospectus. Unless otherwise stated, the financial information used in this section is derived from and should be read in conjunction with Standalone and restated financial statements of our Company for the Fiscals 2013, 2014, 2015, 2016 and 2017 in each case prepared in accordance with Indian GAAP, including the schedules, annexure and notes thereto.

To obtain a better understanding of our business, you should read this section in conjunction with other chapters of the Draft Prospectus, including the chapters titled "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" and section titled "Financial Information of the Company" beginning on pages 79, 143 and 120 respectively of this Draft Prospectus, together with all other financial information contained in the Draft Prospectus.

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

- 1.) Some risks may not be material individually but may be material when considered collectively.*
- 2.) Some risks may have material impact qualitatively instead of quantitatively.*
- 3.) Some risks may not be material at present but may have a material impact in the future.*

RISK IN RELATION TO FIRST OFFER

The face value of the Equity Shares is ₹10 each and the Offer Price of ₹ 59 per Equity Share is almost 5.9 times of the face value. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investment in equity and equity related securities involve a degree of risk and investors should not invest any fund in the offer letter unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risk involved. Equity Shares in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Prospectus. Specific attention of the investors is invited to "Risk Factors".

RISK FACTORS

An investment in Equity Shares involves a high degree of financial risk. You should carefully consider all information in this Draft Prospectus, including the risks described below, before making an investment in our Equity Shares. The risk factors set forth below do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. Any of the following risks, as well as the other risks and uncertainties discussed in this Draft Prospectus, could have a material adverse effect on our business and could cause the trading price of our Equity Shares to decline and you may lose all or part of your investment.

In addition, the risks set out in this Draft Prospectus are not exhaustive. Additional risks and uncertainties, whether known or unknown, may in the future have material adverse effect on our business, financial condition and results of operations, or which we currently deem immaterial, may arise or become material in the future. To obtain a complete understanding of our Company, prospective investors should read this section carefully. Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other risks mentioned herein. Unless otherwise stated, the financial information used in this section is derived from and should be read in conjunction with restated financial information of our Company prepared in accordance with the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, including the schedules, annexure and notes thereto

Materiality

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

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

INTERNAL RISK FACTORS

RELATED TO OPERATIONS

We require certain approvals and licenses in the ordinary course of business and are required to comply with certain rules and regulations to operate our business, and the failure to obtain, retain and renew such approvals and licences or comply with such rules and regulations, and the failure to obtain or retain them in a timely manner or at all may adversely affect our operations.

- 1) We manufacture plastic packaging products which require compliance with various regulations prescribed by the authorities of the jurisdictions in which our customers / end users operate. Non-compliance with these regulations may result in loss of clients and thus affect our business operations and results.**

Our plastic molded products comprise of various industrial packaging products which are used to store chemicals. These sectors are highly regulated sector and are subject to extensive regulations and stringent quality standards in terms of the storage. The registration requires our Company to comply with all the relevant provisions of the various acts enforceable, most of which are stringent and they may continue to be stricter in the future. The penalties for non-compliance with these regulations may result in loss of client and adverse impact on our business operations and can vary from revocation or suspension of the registration to imposition of fines or confiscation of the products manufactured, stored or sold. Further, we are subject to additional risks in relation to change of regulations of the customer industry and as a result, may, at times, be unclear or inconsistent. Consequently, there is an increased risk that we may inadvertently fail to comply with such regulations or procedures, which could lead to a rejection of our products leading to huge losses. Further, any adverse change in the regulatory environment in the future may subject us to increased obligations and may adversely affect our business, cash flows and results of operations.

- 2) Our plastic packaging products/containers manufacturing business could be adversely affected by introduction of alternative packaging materials and change in consumer preferences towards plastic products.**

We manufacture and sell plastic packaging materials where we face the risk of any new research and development activity which may affect the popularity and use of the products manufactured by us. The adoption of the products derived through new R&D could have a negative impact on our polymer based molded containers, drums and bottles currently in use. While the launch and wide commercial use of such an ingredient may take some time, the new ingredient may be more cost – effective and provide better results than existing products and therefore, we cannot be sure how much time we may have to adapt to the new development. The growth and acceptance of such alternative ingredients by our customers, traders and end user consumers may have an adverse effect on our manufacturing operations which thereby may affect our revenues and financial condition. Any failure to forecast and/or meet the changing demands of packaging businesses and consumer preferences may have an adverse effect on our business, profitability and growth prospects.

3) We sell our products in highly competitive markets and our inability to compete effectively may lead to lower market share or reduced operating margins, and adversely affect our results of operations.

India is our primary and main market and we face competition in our business from local as well as nationwide manufacturers and suppliers of plastic containers. The products that we sell are of a commodity nature, i.e. there are a large number of players manufacturing same or similar products. Thus, competition in these markets is based primarily on demand and price. As a result, to remain competitive in our market, we must continuously strive to reduce our procurement, transportation and distribution costs, improve our operating efficiencies and secure our materials requirements. If we fail to do so, other manufacturers and suppliers or wholesalers of similar products may be able to sell their products at prices lower than our prices, which would have an adverse effect on our market share and results of operations. Increased consolidation in the plastic industry means that many of our competitors may benefit from greater economies of scale, including the ability to negotiate preferential prices for products or receive discounted prices for bulk purchases of goods that may not be available to us. Plastics Products being a global industry, we also face international manufacturers and traders of certain products, especially from China. We compete with them by providing high quality products with lower rejection ratio and spot delivery. We further compete with various domestic and international competitors by establishing ourselves as a knowledge and innovation based company with manufacturing capabilities of a wide variety of plastic containers. The organized players in the industry compete with each other by providing high quality, consistent and time bound products and value added services. Further, we cannot assure you that our current or potential competitors will not offer products comparable or superior to our products at rates attractive than ours. Failure to match our product quality, consistency and price accordingly might have an adverse effect on our operations and financial results.

4) Increased competition may result in decreased demand or lower prices for our range of plastic products manufactured under our own brands, which could reduce our profitability.

We face substantial competition from existing and potential competitors who may seek to manufacture the same or similar products as us in the particular area or competitors who are already manufacturing, distributing and selling products which we deal in. None of our registrations are granted exclusively to us and our competitors are free to seek registration for the products for which we hold registrations. In the event that other players obtain registration for the plastic products that we have registered for, it may adversely affect our sales and margin in relation to such products. Additionally, we compete with existing moulded plastic containers manufacturing companies on the basis of portfolio of our plastic product offerings, product traits, including quality consistency, lower rejection ratio, as well as based on price, reputation, customer service and customer convenience. Some of our competitors may be large multinational companies that have significantly greater resources and access than those available to us. If we are unable to compete effectively, including in terms of pricing or providing quality products, our market share may decline, which could have a material adverse effect on our results of operations and cash flows.

5) Our growth strategy to expand into new geographic areas outside India and within India poses risks. We may not be able to successfully manage some or all of such risks, which may have a material adverse effect on our revenues, profits and financial condition.

Our business is a small extent dependent on the general economic condition and activity in the domestic and international market in which we operate along with the Government policies relating to plastic industry in all these regions, including central, state and local government policies in India. Although investment in the plastic industry in the areas in which we operate has been encouraged, there can be no assurance that this will continue. We may

expand geographically in the domestic and international market, and may not gain acceptance or be able to take advantage of any expansion opportunities outside our current markets. This may place us at a competitive disadvantage and limit our growth opportunities. We may face additional risks if we undertake operations in other geographic areas in which we do not possess the same level of familiarity as competitors. For example, expanding our scope by marketing our products in the regulated markets may prove difficult due to the stringent norms and we may have to discontinue our activities in such areas. If we undertake operations in different geographical locations than those currently is; we may be affected by various factors, including but not limited to:

- Adjusting our products to the new geographic area;
- Ascertaining the creditworthiness of the buyer and maintain credit terms with the same;
- Obtaining necessary Government and other approvals in time or at all;
- Failure to realize expected synergies and cost savings;
- Attracting potential customers in a market in which we do not have significant experience; and
- Cost of hiring new employees and absorbing increased costs.

6) Our cost of production is exposed to fluctuations in the prices of raw materials required for the manufacture of plastic products as well as its availability.

The prices of the various raw materials used in our manufacturing process are subject to fluctuations in the prices due to various reasons like increased manufacturing costs of these materials, increase in transportation costs, changes in core prices of minerals as a natural resource, etc. Further, some of the raw materials required in our processes, are manufactured from materials procured from international markets, the price of these goods is also subject to fluctuations in foreign exchange rates. Also, we procure some of the raw materials from international markets and the prices of these raw materials may fluctuate based on exchange rate, customs & duties levied on imports or changes in government policies with respect to these materials or the countries supplying the same. We may be unable to make adequate provisions for the price fluctuations and, consequently, any adverse fluctuations that we have not factored in or provided for may adversely affect the consolidated results of our operations and our consolidated financial conditions.

We also face the risks associated with compensating for or passing on such increase in our cost of production on account of such fluctuations in prices to our customers. Particularly, we face the risk of our competitors being able to sell the products at lower rates than ours due to their economies of scales, if we pass on the increase in the cost of production to our customers through a corresponding increase in the price of our products in order to maintain our historical margins. Upward fluctuations in the prices of the various raw materials may thereby affect our margins and profitability, resulting in a material adverse effect on our overall business, consolidated financial condition and results of operations.

7) Our operations may be adversely affected by strikes, work stoppages or increased wage demands by our or our contractors' workforce or any other industrial unrest or dispute.

While we have not experienced any industrial unrest or dispute in any of our manufacturing units in the past, we cannot be certain that we will not suffer any disruption to our operations due to strikes, work stoppages or increased wage demands in the future. Further, if our work force in any of our units, unionizes in the future, collective bargaining efforts by labour unions may divert our management's attention and result in increased costs.

8) We are subject to risks arising from exchange and/or interest rate fluctuations, which could adversely affect our business, prospects, results of operations and financial condition.

Our exchange rate risk primarily arises from our foreign currency revenues, costs and foreign currency imports of raw materials. Although our functional currency is, and our accounts are prepared in, Indian Rupees, we transact a significant portion of our business in other currencies. To this extent, the revenues and expenditures will be higher or lower depending on the depreciation or appreciation of Indian Rupee in foreign currency terms. In the recent past, the Rupee has depreciated significantly when compared to the U.S. dollar and since we transact a significant portion of our business in U.S. dollars, the reported sales in Rupee terms exhibits a growth partly influenced by the depreciating Rupee and there can be no assurance that the growth of our international operations in the future will also benefit from a similar trend. Further, if such depreciation continues in the future it will increase our Rupee cost of imports and costs. We cannot predict the effects of exchange rate fluctuations upon our future operating results

because of the variability of currency exposure and the potential volatility of currency exchange rates. Therefore, changes in the exchange rate between the Rupee and the U.S. dollar and other non-Rupee currencies may have an adverse effect on our income which in turn may adversely affect our business, results of operations and financial condition.

- 9) Our operations are subject to high working capital requirements. Our inability to maintain sufficient cash flow, credit facilities and other sources of funding, in a timely manner, or at all, to meet requirement of working capital or pay out debts, could adversely affect our operations.**

Our business requires significant amount of working capital. Major Portion of our working capital is utilized towards debtors and inventory. Our growing scale and expansion, if any, may result in increase in the quantum of current assets. Our inability to maintain sufficient cash flow, credit facility and other sourcing of funding, in a timely manner, or at all, to meet the requirement of working capital or pay out debts, could adversely affect our financial condition and result of our operations. Further, we have high Debtors which may result in a high risk in case of non-payment by these Debtors. In the event we are not able to recover our dues from our Debtors, we may not be able to maintain our Sales level and thus adversely affecting our financial health. If this situation persists, we may not be able to pay our lenders / creditors and we may be forced to go for Corporate Debt Restructuring (CDR) which may result in adversely affecting our operations and future prospects.

- 10) Our Company has not entered into any long-term contracts with any of its customers and we typically operate on the basis of orders. Inability to maintain regular order flow would adversely impact our revenues and profitability.**

Our Company has had long standing business relationships with various customers and we have been selling our products to such customers, including overseas customers, for several years. However, we have not entered into any specific contracts with these customers and we cater to them on an order-by-order basis. As a result, our customers can terminate their relationships with us without any notice and, without consequence, which could materially and adversely impact our business. Consequently, our revenue may be subject to variability because of fluctuations in demand for our products. Our Company's customers have no obligation to place order with us and may either cancel, reduce or delay orders. The orders placed by our Company's customers are dependent on factors such as the customer satisfaction with the level of consistency of the products that our Company supplies, fluctuation in demand for plastic products manufactured by our Company and customer's inventory management. Although we place a strong emphasis on quality, timely delivery of our products and prompt availability of a variety range of plastic products, in the absence of long term contracts, any sudden change in the buying pattern of buyers could adversely affect the business and the profitability of our Company.

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

We may encounter problems in executing the orders in relation to our manufactured products, or executing it on a timely basis. Moreover, factors beyond our control or the control of our customers, including delays or failure to obtain necessary permits, authorizations, permissions and other types of difficulties or obstructions, may result in the postponement in the production process and thus in the delivery of products or cause its cancellation. Further, since we do not execute contracts with our customers, the order could be cancelled or there could be changes in scope and / or scheduled delivery of the products. Accordingly, it is difficult to predict with certainty if, when, and to what extent we may be able to deliver the orders placed. Failure to deliver products on time could lead to customers delaying or refusing to pay the amount, in part or full, which may adversely affect our business. In addition, even where a delivery proceeds as scheduled, it is possible that the contracting parties may default or otherwise fail to pay amounts owed. While we have not yet experienced any material delay, reduction in scope, cancellation, execution difficulty, delay or default in payment with regard to the orders placed with us, or any material disputes with customers in respect of any of the foregoing, any such adverse event in the future could materially harm our cash flow position and income. Any delay, modification, cancellation of order by our large customers may have material adverse effect on our financial condition and results of operations.

- 12) We are susceptible to product liability claims that may not be covered by insurance and may subject us to substantial expenditure thereby adversely affecting our reputation and if the claim is successful, could require us to pay substantial amounts.**

We face the risk of loss resulting from, and the adverse publicity associated with, product liability lawsuits, whether or not such claims are valid. We may be subject to claims resulting from our manufacturing defects or negligence in storage, packaging or handling which may lead to the inferior quality product and in turn result in deterioration of the goods stored in them by the customer / end user. Even unsuccessful product liability claims would likely require us to incur substantial expenses on litigation, divert management's time, adversely affect our goodwill and impair the marketability of our plastic products. We are liable for the quality of the products we manufacture, for the duration of their shelf life. Disputes over non-conformity of the products with prescribed quality standards or specifications are generally referred to independent testing laboratories. If any independent laboratory confirms that the products do not conform to the prescribed or agreed standards and specifications, we may be required to bear the expenses of replacing and testing such products, which could adversely affect our business, results of operations, cash flows and financial condition. Any proved defect in our products could also result in withdrawal of our license for manufacturing, storing and selling the products. Further, our business is dependent on the trust our customers have in the quality of our products. Any negative publicity regarding our Company, brand, or products or mishaps resulting from the use of our products, or any other unforeseen events could affect our reputation and our results from operations. Further, we do not have any insurance coverage for product liability and if we are to take the same, it may result in additional expense. From time to time, the plastic industry has experienced difficulty in obtaining desired product liability insurance coverage. If any product liability claim not covered by insurance were sustained against us, it could adversely affect our business, financial condition, results of operations and cash flows.

- 13) Changes in technology may render our current technologies obsolete or require us to make substantial capital investments.**

Our industry is continually changing due to technological advances and scientific discoveries characterised by high expenses incurred on R&D. These changes result in the frequent introduction of new products, new designs and significant price competition. To meet our customers' needs as well as keep pace with our competitors, we regularly update existing technology and acquire or develop new technology for our moulded plastic product manufacturing activities. If our moulding technologies, such as our blow moulding, injection moulding, custom moulding and automobile moulding and assembly systems become obsolete, and we are unable to effectively introduce new products, our business and results of operations could be adversely affected. Although we strive to keep our technology, facilities and machinery current with the latest international standards, the technologies, facilities and machinery we currently employ may become obsolete and we may not have the resources to adequately invest in R&D. The cost of implementing new technologies and upgrading our manufacturing facilities as well as R&D would require substantial new capital expenditures and/or write-downs of assets and could adversely affect our business, prospects, results of operations and financial condition.

- 14) Our success depends heavily on our Promoters and Key Management Personnel for the continued success of our business through their continuing services and strategic guidance and support.**

Our success heavily depends upon the continued services of our Key Management Personnel, along with support of our Promoters. The loss of our Promoter or any of our Key Management Personnel, or failure to recruit suitable or comparable replacements, could have an adverse effect on us. The loss of them could seriously impair the ability to continue to manage and expand the business efficiently.

We may also have to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting skilled employees that our business requires, which may have adverse effect on our cash flows. If we are unable to retain qualified employees at a reasonable cost, we may be unable to execute our growth strategy.


- 15) Our Company has entered into certain related party transactions and may continue to do so in the future.**

Our Company has entered into related party transactions with our Promoter, Directors and the Promoter Group. While our Company believes that all such transactions have been conducted on the arm's length basis, there can be

no assurance that it could not have been achieved on more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that our Company will enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operation. For details, please refer to “Annexure XXII - Related Party Transactions” under section titled “Financial Statements” on page no. 120 of this Draft Prospectus.

- 16) Intellectual property rights are important to our business. Since our business is based on evolving innovative and unique methods and using the same for developing plastic products and solutions, it is very important for us to ensure confidentiality of our intellectual property rights. We may be unable to protect them from being infringed by others, including our current and / or future competitors/employees.**

All our trademarks and patents are our material assets and are crucial to our business operations. As on the date of

this Draft Prospectus, we have already applied for our new corporate logo  but yet to receive the registration for the same and hence we do not enjoy the statutory protection accorded to a registered trademark. Though, we have made application for the same under 21, there can be no assurance that our application will succeed. Grounds for refusal of registration may include the validity or scope of the application. If we are unable to obtain a registration, we may still continue to use the corporate logo but remain vulnerable to infringement and passing-off by third parties and will not be able to enforce any rights against them. We may also need to change our corporate logo which may adversely affect our reputation and business and could require us to incur additional costs.

- 17) Certain commercial agreements entered into by us impose several contractual obligations upon us. If we are unable to meet these contractual obligations and / or our customers perceive any deficiency in our service we may face legal liabilities and consequent damage to our reputation which may in-turn adversely impact our business, financial condition and results of operations.**

We manufacture polymer based moulded products which are used in various industries like packaging, , automobile, etc. we have entered into MoU for supply of raw materials with certain companies. These commercial agreements entered into by us impose several contractual obligations upon us including purchase of certain minimum quantities of raw material during the tenure of the agreement, non-infringement, and confidentiality and non-compete clauses as is typical of agreements entered into by companies in plastic moulded product sector. If we fail to procure the minimum quantity or default in any other clause or if our client’s proprietary rights are infringed by our employees in violation of any applicable confidentiality agreements or delay in service or breach of stipulated terms of these agreements, our suppliers may consider us liable for that act and seek damages from us. Further, in the ordinary course of our business we enter into short term contractual agreements with several customers large domestic or global companies for technology transfer and for supply of products used in their respective industries. These companies could be in a better position to negotiate terms which may not be entirely favourable to us. There are also some contracts, which may be terminable by our clients without cause on a short notice period affecting our business and creating uncertainty about our revenue flow at a particular point of time. Further, certain of the commercial agreements that we have entered into restrict us from providing services to competitors of our existing customers or restrict our ability to approach customers in certain jurisdictions. Such clauses may restrict our ability to offer services to customers on terms preferred by our customers/ more favourable than those offered by our competitors. Further, given the stringent nature of obligations imposed by our commercial contracts, we face the risk of potential liabilities from lawsuits or claims by our customers for the breach of the terms of our contractual obligations and cannot assure you that such restrictions will not have an adverse effect on our business, financial condition and results of operations in the future.

- 18) Our operations are subject to various employees, health and safety laws and regulations. Our failure to comply with environmental laws and similar regulations in India, including improper handling of raw materials, may result in significant damages and may have an adverse effect our business, financial condition and results of operations.**

Our operations are subject to laws and regulations governing relationships with employees in such areas a minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees, contract labour and work permits. Further, our business and prospects are contingent upon, among other things, receipt of

all required health and safety permits, and our ability to comply with any conditions specified in such permits and registrations, on a continuous basis. Changes or concessions required by regulatory authorities may involve significant compliance costs and also result in delays, prevent completion of construction or opening of a plant or result in the loss of an existing license, which may adversely affect our business and results of operations. Further, we are subject to various environmental laws and regulations relating to environmental protection in various locations in India. For example, the discharge or emission of chemicals, dust or other pollutants into the air, soil or water that exceed permitted levels and cause damage may give rise to liabilities towards the government, especially the state pollution control boards and third parties, and may result in expenses to remedy any such discharge or emissions.

19) Currently there are no litigations filed by the Company nor against the Company, the tabular representation thereof is given hereunder:

Name of Entity	Criminal Proceeding	Civil/Arbitration	Tax Proceeding	Labour Disputes	Consumer Complaints	Complaints under Section 138 of NI Act 1881	Aggregate amount involved (₹ In Lakhs)
Company							
By the Company	Nil	NIL	NIL	Nil	Nil	NIL	NIL
Against the Company	Nil	Nil	NIL	Nil	NIL	Nil	Nil
Directors							
By the Directors	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Against the Directors	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Promoters							
By the Promoters	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Against the Promoters	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Group Companies							
By the Group Companies	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Against the Group Companies	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Subsidiaries							
By the Subsidiaries	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Against Subsidiaries	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

RELATED TO EQUITY SHARES

20) Any further issuance of Equity Shares by our Company may adversely affect the trading price of the Equity Shares.

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

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

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

- Volatility in the Indian and other Global Securities Markets;
- The performance of the Indian and Global Economy;
- Risks relating to our business and industry, including those discussed in this Draft Prospectus;
- Strategic actions by us or our competitors;
- Investor perception of the investment opportunity associated with the Equity Shares and our future performance;
- Adverse media reports about us, our shareholders or Group Companies;
- Future sales of the Equity Shares;
- Variations in our quarterly results of operations;
- Differences between our actual financial and operating results and those expected by investors and analysts;
- Our future expansion plans;
- Perceptions about our future performance or the performance of Indian Plastic companies generally;
- Performance of our competitors in the Indian Plastic industry and the perception in the market about investments in the Plastic sector;
- Significant developments in the regulation of the Plastic industry in our key locations;
- Changes in the estimates of our performance or recommendations by financial analysts;
- Significant developments in India's economic liberalization and deregulation policies; and
- Significant developments in India's fiscal and environmental regulations. There has been significant volatility in the Indian stock markets in the recent past, and our Equity Share Price could fluctuate significantly as a result of market volatility. A decrease in the market price of the Equity Shares could cause you to lose some or all of your investment.

22) There are restrictions on daily movements in the price of the Equity Shares, which may adversely affect a shareholder's ability to sell, or the price at which it can sell, the Equity Shares at a particular point in time.

The price of the Equity Shares will be subject to a daily circuit breaker imposed by all stock exchanges in India which does not allow transactions beyond a certain level of volatility in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by the SEBI on Indian stock exchanges. The percentage limit on our circuit breaker is set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges do not inform us of the percentage limit of the circuit breaker from time to time, and may change it without our knowledge. This circuit breaker effectively limits upward and downward movements in the price of the Equity Shares. As a result, shareholders' ability to sell the Equity Shares, or the price at which they can sell the Equity Shares, may be adversely

affected at a particular point in time.

23) Our ability to pay dividends in the future may be affected by any material adverse effect on our future earnings, financial condition or cash flows.

Our ability to pay dividends in future will depend on our earnings, financial condition and capital requirements. Our business is working capital as well as capital intensive. We are a fast growing molded plastic manufacturing company with a long term strategy to increase our exposure to healthcare related plastic products which would require us to incur capital expenditure and additional working capital requirement. We may be unable to pay dividends in the near or medium term, and our future dividend policy will depend on our capital requirements and financing arrangements in respect of our operations, financial condition and results of operations.

EXTERNAL RISK FACTORS

1) Any change in the government policies vis-à-vis expenditure, subsidies and incentives etc. in plastics sector could affect their ability to spend on agrochemical products, thereby affecting our business and profitability.

Any changes in government policies relating to the plastic sector such as reduction of government expenditure, withdrawal or changes in incentives and subsidy systems, pricing restriction on products, or adverse changes in raw material prices and/or minimum support prices could have an adverse effect on the ability of consumers to spend on plastic products. Our ability to freely set prices for molded plastic products may be restricted by the government and our profits may reduce. End users of our products may seek to find ways to reduce or contain related costs. We currently sell our products across various states in India and also in the export market. We cannot predict the nature of the measures that may be adopted by local, state and central governments or governments of our export countries or private organizations or their impact on our revenues. In the event such measures result in increased costs for manufacturers to undertake moulded plastic containers production, their demand for our products may reduce, which could reduce our cash flows. Also, if plastics related legislation or third party payer influence results in lower prices for our products, our overall revenues may decrease and our cash flows and profits could be adversely affected even in cases where the demand for plastic products increases.

2) Any changes in the regulatory framework could adversely affect our operations and growth prospects

Our Company is subject to various regulations and policies. For details see section titled “Key Industry Regulations and Policies” beginning on page no. 87 of this Draft Prospectus. Our business and prospects could be materially adversely affected by changes in any of these regulations and policies, including the introduction of new laws, policies or regulations or changes in the interpretation or application of existing laws, policies and regulations. There can be no assurance that our Company will succeed in obtaining all requisite regulatory approvals in the future for our operations or that compliance issues will not be raised in respect of our operations, either of which could have a material adverse effect on our business, financial condition and results of operations.

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

A majority of the provisions and rules under the Companies Act, 2013 have recently been notified and have come into effect from the date of their respective notification, resulting in the corresponding provisions of the Companies Act, 1956 ceasing to have effect. The Companies Act, 2013 has brought into effect significant changes to the Indian company law framework, such as in the provisions related to issue of capital, disclosures in prospectus, corporate governance norms, audit matters, related party transactions, introduction of a provision allowing the initiation of class action suits in India against companies by shareholders or depositors, a restriction on investment by an Indian company through more than two layers of subsidiary investment companies (subject to certain permitted exceptions), prohibitions on loans to directors and insider trading and restrictions on directors and key managerial personnel from engaging in forward dealing. Further, companies meeting certain financial thresholds are also required to constitute a committee of the board of directors for corporate social responsibility activities and ensure that at least 2% of the average net profits of the company during three immediately preceding financial years are utilized for corporate social responsibility activities. Penalties for instances of non-compliance have been prescribed under the Companies Act, 2013, which may result in inter alia, our Company, Directors and key managerial employees being subject to

such penalties and formal actions as prescribed under the Companies Act, 2013, should we not be able to comply with the provisions of the New Companies Act within the prescribed timelines, and this could also affect our reputation. To ensure compliance with the requirements of the Companies Act, 2013 within the prescribed timelines, we may need to allocate additional resources, which may increase our regulatory compliance costs and divert management attention. While we shall endeavor to comply with the prescribed framework and procedures, we may not be in a position to do so in a timely manner.

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

The Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, especially in the United States of America or Europe, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets. The global financial turmoil, an outcome of the sub-prime mortgage crisis which originated in the United States of America, led to a loss of investor confidence in worldwide financial markets. Indian financial markets have also experienced the contagion effect of the global financial turmoil, evident from the sharp decline in SENSEX, BSE's benchmark index. Any prolonged financial crisis may have an adverse impact on the Indian economy and us, thereby resulting in a material and adverse effect on our business, operations, financial condition, profitability and price of our Equity Shares.

5) Conditions in the Indian securities market and stock exchanges may affect the price and liquidity of our Equity Shares.

Indian stock exchanges, which are smaller and more volatile than stock markets in developed economies, have in the past, experienced problems which have affected the prices and liquidity of listed securities of Indian companies. These problems include temporary exchange closures to manage extreme market volatility, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of the Indian stock exchanges have from time to time restricted securities from trading, limited price movements and restricted margin requirements. Further, disputes have occurred on occasion between listed companies and the Indian stock exchanges and other regulatory bodies that, in some cases, have had a negative effect on market sentiment. If similar problems occur in the future, the market price and liquidity of the Equity Shares could be adversely affected. Further, a closure of, or trading stoppage on, either of the Stock Exchanges could adversely affect the trading price of our Equity Shares.

NOTES:

- 1) The net worth of our Company as on March 31, 2017, March 31, 2016 and March 2015 was ₹699.22 Lakhs, ₹ 589.58 Lakhs, and ₹ 485.92 Lakhs respectively based on Restated Financial Statements. For more information, see section titled "Financial Information of the Company" beginning on page 120 of this Draft Prospectus.
- 2) The NAV / Book Value per Equity Share, based on Restated Financials of our Company as on March 31, 2017, March 31, 2016 and March 31, 2015 was ₹ 170.54, ₹ 143.80 and ₹ 118.52 per equity share respectively based on Restated Financial Statements. For more information, see section titled "Financial Information of the Company" beginning on page 120 of this Draft Prospectus.
- 3) The average cost of acquisition of Equity Shares by our Promoters is set out below:

Sr. No.	Name of Our Promoters	Number of Equity Shares Held	Average Cost of Acquisitions per Shares (₹)
1.	Mrs. Alapaty Aruna	5,15,000	1.00
2.	Mr. Alapaty Hari Hara Prasad	30,84,600	1.00
3.	Mr. Alapati Siva Sankara Prasad	5,00,000	1.00
4.	Mr. Alapati Kranthi Teja	100	1.00

For further details, see chapter titled "Capital Structure" beginning on page 46 of this Draft Prospectus.

- 4) The details of transactions of our Company with related parties, nature of transactions and the cumulative value of transactions please refer to section titled "Financial Information of the Company – Annexure XXII Statement of Related Parties Transactions, beginning on page 137 of this Prospectus.
- 5) No Group Companies/ Entities have any business or other interest in our Company, except as stated in section titled "Financial Information of the Company – Annexure XXII - Statement of Related Parties Transactions, as Restated" beginning on page 137 and "Our Group Companies/Entities" beginning on page 117 of this Prospectus and to the extent of any Equity Shares held by them and to the extent of the benefits arising out of such shareholding.
- 6) Our Company was incorporated as Tejaswi Packaging Private Limited on February 16, 1996 with the Registrar of Companies, Andhra Pradesh. Our Company was converted into a public Limited Company and accordingly the name of our Company was changed to Tejaswi Packaging Limited pursuant to a special resolution passed by our Shareholders at the EGM held on January 17, 2018. A fresh certificate of incorporation upon conversion to public limited company was issued on January 24, 2018 by Registrar of Companies, Andhra Pradesh & Telangana. The Corporate Identification Number of our Company is U63010TG1996PLC023241. For further details, see chapter titled "History and Certain Corporate Matters" beginning on page 97 of this Draft Prospectus.
- 7) None of our Promoters, Promoter Group, Directors and their relatives have entered into any financing arrangement or financed the purchase of the Equity Shares of our Company by any other person during the period of six months immediately preceding the date of filing of Draft Prospectus.
- 8) Our Company, Promoters, Directors, Promoter Group have not been prohibited from accessing the Capital Market under any order or direction passed by SEBI nor they have been declared as willful defaulters by RBI / Government authorities. Further, no violations of securities laws have been committed by them in the past or pending against them.
- 9) Investors are advised to see the chapter titled "Basis for Issue Price" beginning on page 62 of this Draft Prospectus.
- 10) The Lead Manager and our Company shall update this Prospectus and keep the investors / public informed of any material changes till listing of the Equity Shares offered in terms of this Prospectus and commencement of trading.
- 11) Investors are free to contact the Lead Manager i.e. Mark Corporate Advisors Private Limited for any clarification, complaint or information pertaining to the Issue. The Lead Manager and our Company shall make all information available to the public and investors at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever.
- 12) In the event of over-subscription, allotment shall be made as set out in paragraph titled "Issue Procedure" beginning on page 177 of this Draft Prospectus and shall be made in consultation with the Designated Stock Exchange i.e. National Stock Exchange of India Limited. 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.
- 13) The Directors / Promoters of our Company have no interest in our Company except to the extent of remuneration and reimbursement of expenses (if applicable) and to the extent of any Equity Shares of our Company held by them or their relatives and associates or held by the companies, firms and trusts in which they are interested as director, member, partner, and/or trustee, and to the extent of benefits arising out of such shareholding. For further details please see the chapter titled "Our Management", "Our Promoters and Promoter Group", "Financial Information of the Company" beginning on page 101, 113 and 120 respectively of this Draft Prospectus.
- 14) No loans and advances have been made to any person(s) / companies in which Directors are interested except as stated in the Auditors Report. For details, please see "Financial Information of the Company" beginning on page 120 of this Draft Prospectus.
- 15) Trading in the Equity Shares for all investors shall be in dematerialized form only.

- 16)** No part of the Issue proceeds will be paid as consideration to Promoters, Promoter Group, Directors, Key Managerial Personnel or Group Companies.

For information on the changes of the Objects Clause of the Memorandum of Association of our Company, please refer to the chapter titled "History and Certain Corporate Matters" beginning on page 97 of this Draft Prospectus.

SECTION III - INTRODUCTION

SUMMARY OF OUR INDUSTRY

Overview of Indian economy

Introduction

The packaging segment in India is an amalgamation of both organized and unorganized players ranging from very small players with limited presence to big players with large market share. Demand for this segment is anticipated to grow rapidly across all the players. Also there is an increasing focus on innovative and cost effective packaging materials. Thus, the industry players are keeping in track with the changing trends in packaging and making efforts to capture the market with higher technology orientation. Further with a viewpoint of health and environment friendliness, the growth in packaging industry has been leading to greater specialization and sophistication amongst the market players.

Plastics are the material of choice in packaging for the sectors such as FMCG, food and beverages, pharmaceuticals, Agriculture etc. In India, a large chunk of products that households buy for daily use are packaged in plastics. Plastics are used heavily for packaging due to innovative visual appeal for customer attraction and convenience. Additionally, they improve the hygiene quotient and shelf-life of the products especially in food and beverages segment. Overall, the Indian packaging industry is valued at over USD 32 Bn and offers employment to more than 10 Lakh people across the country through 10,000 firms.

The industry is driven by key factors like rising population, increase in income levels and changing lifestyles. Growth prospects of end-user segments are leading to rise in the demand of the plastic packaging industry. Demand from rural sector for packaged products is being fuelled by the increasing media penetration through the means of internet and television.

Further, India is emerging as the most favored destination for organized retail destination in the world. And also the presence of E-commerce is expanding rapidly and is bringing around a revolution in the retail industry. Retailers are now leveraging digital retail channels thereby enabling wider reach out to customers with less amount of money spent on real estate.

Therefore, organized retail and boom in e-commerce offers huge potential for future growth of retailing in India which in turn is pushing the growth of packaging sector. However, there are quite a few challenges and risks. High inflation rate and rising prices, lack of skilled workforce, difficulty in procuring raw material due to weak infrastructure, growing environmental concern, effective recycling of mixed plastic waste and plastic recovery are some of the issues plaguing the industry. Going ahead recycling & reuse of plastics will be an important step towards fostering innovation and sustainability. Also increased awareness through help of industry groups and Government could help address some of these challenges.

**(Source: FICCI knowledge paper – Plastic Packaging Report, Tata Strategic Management Group
<http://ficci.in/spdocument/20690/Plastic-packaging-report.pdf>)**

RIGID PLASTIC PACKAGING MARKET

In a new market report - The Future of Rigid Plastic Packaging to 2022 – Smithers Pira forecasts that global rigid plastic packaging consumption will be worth \$166 billion in 2017, and exceed \$200 billion at the end of its study period in 2022. Volume consumption of rigid plastics globally will reach 52.9 million tonnes in 2017, and is projected to grow over the next five years at an annual rate of 3.7% to 63.4 million tonnes.

Rigid plastic packaging market expansion will continue to profit from the drive to replace traditional materials – principally glass and metal – with lighter weight, more cost-effective and higher performance plastic materials in various markets. This transition is being accelerated by concept innovations – such as the clear plastic can. Developed by US-based Milacron, the ‘Klear Can’ technology is aimed at transforming the canned food preservation industry, saving weight and allowing a better display of premium tinned goods on supermarket shelves.

Despite these opportunities, this packaging segment is also dealing with challenges. None of these is more disruptive than the emergence of flexible packaging types, and the growing importance of sustainability.

The importance of sustainability

Sustainable packaging is an overarching megatrend with particular implications for the rigid plastic packaging industry. There is mounting public pressure on brand owners and retailers to reduce the environmental impact of their packaging. The response has been to address package via:

- Light-weighting – reducing material usage without impairing pack performance
- Increased use of recycled plastic feedstocks
- Investigating the use of bioplastic packaging.

Brand owners are employing more recycled and recyclable plastic packaging to reduce the environmental impact of packaging. Bio-Plastics are a popular choice for brand owners seek to showcase their environmental credentials more demonstrably. In practice the different approaches can be combined.

For example, Unilever announced in January 2017 that it has committed to ensuring that all of its plastic packaging is fully reusable, recyclable or compostable by 2025. The companies had already committed to reducing the weight of its packaging this decade by one-third by 2020, and increase its use of recycled plastic content in its packaging to at least 25% by 2025.

Companies across many end-use segments are increasingly recognizing that sustainability in packaging is a core value, rather than a one-off sales and marketing opportunity, while retailers are now offering biodegradable packaging for a wide range of produce, including fresh foods, organic and private label brands.

Emerging technology

Technology is playing an important role in rigid plastic packaging market development as it competes with rival packaging types. Several of these directly affect the environmental impact of the pack or product inside

- Bio-based plastics, including 100% bio-based PET bottles, are expected to enter commercial production and establish significant market share over the next five years
- Producers have developed considerably lighter plastic packaging in recent years and opportunities remain for further light weighting of plastic packaging
- Improved barrier solutions enable further penetration of rigid plastic packaging into applications such as fruit juices, milk, wine and hot-fill food jars, and reducing emissions during transport.

From a marketing perspective, the further penetration of digital (inkjet and toner) printing systems for beverage bottles and new concepts like no-look and interactive labels are pushing innovation in key segments, such as PET carbonated soft drink bottles.

Market Statistics

From a regional perspective, emerging economies are expected to grow rigid plastic packaging demand at the highest rates across 2017-2022.

Asia is already the largest consumer of rigid plastic packaging, accounting for a projected 31.4% consumption share by volume in 2017. North America is the second largest consumer with 22.7%, followed by Western Europe with 20.0%. Asia is forecast to continue growing at a faster rate than any other world region with an annual average growth rate of 5.8% for the next 5 years.

Food is the largest end-use market for rigid plastic packaging, accounting for a projected 37.0% consumption share in 2017. The healthcare sector is forecast to grow at the highest rate, followed by other food markets, drinks and cosmetics.

Lifestyle and Demographic Influences

Demographic trends, translating into new demands and expectations of packaging are a key driving the selection of packaging formats. A high rate of population growth is more likely to be associated with growing packaged product consumption. The age structure of the population also plays an important role – for example ageing populations in

advanced economies and better medical provision in developing countries will fuel increased demand for healthcare products.

Lifestyle factors such as the rise of single-portion meals and on-the-go consumption can also favour lighter plastic formats, especially for small convenience pack sizes

GLOBAL ECONOMIC OUTLOOK

World GDP growth is estimated to have risen to 3.6% in 2017 and is expected to further strengthen to 3.7% in 2018, with higher growth expected across emerging markets and developing economies. In regards to emerging market giants, China is expected to witness a marginal growth slowdown in 2018 with the deepening of structural reforms; India's growth is expected to rise in 2018-19. Advanced economies are expected to maintain the same growth level as in 2017, with an expected pick-up in growth across advanced economies such as the United States, France, and Japan.

Landmark tax reforms were one of the top economic trends shaping the global economy in 2017, with India's introduction of a goods and services tax (GST), and the United States' approval of a tax reform bill. The significant slash in the US corporate tax rate is expected to help drive economic growth as well as manufacturing reshoring.

The UAE and Saudi Arabia also introduced value-added tax (VAT) in January 2018; other Gulf Cooperation Council (GCC) countries are only expected to do so by 2019. The inflationary impact of VAT in the UAE and Saudi Arabia is expected to be limited, with the new tax helping to boost and diversify government revenue.

Organization of Petroleum Exporting Countries (OPEC) and its allies have been able to drive oil prices higher to an extent as a result of agreed production cuts. While the production cuts were set to expire in March 2018, the participating countries recently decided to extend to effective period for the cuts till 2018 end.

This decision should help crude oil prices further strengthen in 2018, although higher US production stands to thwart significant price gains.

Recent Developments and Prospects

The forces shaping the global outlook—both those operating over the short term and those operating over the long term—point to subdued growth for 2016 and a gradual recovery thereafter, as well as to downside risks. These forces include new shocks, such as Brexit—the June 23, 2016, U.K. referendum result in favor of leaving the European Union; ongoing realignments, such as rebalancing in China and the adjustment of commodity exporters to a protracted decline in the terms of trade; and slow-moving trends, such as demographics and the evolution of productivity growth; as well as noneconomic factors, such as geopolitical and political uncertainty.

The subdued recovery also plays a role in explaining the weakness in global trade and persistently low inflation relative to the global outlook envisaged in the April 2016 World Economic Outlook (WEO), the main changes relate to the downward revision to U.S. growth (mostly reflecting weaker-than-expected growth in the second quarter of 2016), further confirmation that the economies of Brazil and Russia are closer to exiting from recession, and the outcome of the U.K. referendum.

Brexit is an unfolding event—the long-term arrangements in relations between the United Kingdom and the European Union will be uncertain for a protracted period of time. And the vote is not only a symptom of fraying consensus on the benefits of cross-border economic integration amid weak growth, but could catalyze pressures for inward-looking policies elsewhere as well.

On the positive side, beyond a sharp depreciation of the pound, broader market reaction to the Brexit vote has generally been contained, with equity valuations and risk appetite recovering after an initial drop. Bank stocks, however, remain under pressure, especially in countries with more fragile banking systems. Based on preliminary readings, business and consumer sentiment were generally resilient in July, immediately following the referendum, except in the United Kingdom. Sentiment has improved regarding emerging market and developing economies, reflecting reduced concerns about China's near term prospects following policy support for growth, mildly favorable macroeconomic news from other emerging market economies in the past few months, some recovery in commodity prices, and expectations of lower interest rates in advanced economies. But with very limited post-Brexit macroeconomic data so far, uncertainty about the impact of Brexit on macroeconomic outcomes remains, especially in Europe. Growth is projected to pick up from 2017

onward, almost entirely on account of developments in emerging market and developing economies. This reflects primarily two factors: the gradual normalization of macroeconomic conditions in several countries experiencing deep recessions and the increasing weight of fast-growing countries in this group in the world economy.

The current outlook is shaped by a complex confluence of ongoing realignments, long-term trends, and new shocks. These factors imply a generally subdued baseline for growth, but also substantial uncertainty about future economic prospects. The main unforeseen development in recent months was the U.K. vote in favor of leaving the European Union. Brexit is very much an unfolding event—the long term shape of relations between the United Kingdom and the European Union, and the extent to which their mutual trade and financial flows will be curtailed, will likely become clear only after several years. Adding to the uncertainty is the impact of the referendum results on political sentiment in other EU members, as well as on global pressure to adopt populist, inward-looking policies. Important ongoing realignments—particularly salient for emerging market and developing economies—include rebalancing in China and the macroeconomic and structural adjustment of commodity exporters to a long-term decline in their terms of trade. Slow-moving changes that are playing an important role in the outlook for advanced economies (as well as for some emerging market economies) include demographic and labor market trends, but also an ill-understood protracted slowdown in productivity, which is hampering income growth and contributing to political discontent. In the World Economic Outlook (WEO) baseline scenario, global growth is projected to decline to 3.1 percent in 2016, and to rebound next year to 3.4 percent.

The 2016 forecast reflects weaker-than-expected U.S. activity in the first half of the year as well as materialization of an important downside risk with the Brexit vote. Although financial market reaction to the result of the U.K. referendum has been contained, the increase in economic, political, and institutional uncertainty and the likely reduction in trade and financial flows between the United Kingdom and the rest of the European Union over the medium term is expected to have negative macroeconomic consequences, especially in the United Kingdom. As a result, the 2016 growth forecast for advanced economies has been marked down to 1.6 percent. Growth in emerging market and developing economies is expected to strengthen slightly in 2016 to 4.2 percent after five consecutive years of decline, accounting for over three-quarters of projected world growth this year.

However, the outlook for these economies is uneven and generally weaker than in the past. While external financing conditions have eased with expectations of lower interest rates in advanced economies, other factors are weighing on activity. These include a slowdown in China, whose spillovers are magnified by its lower reliance on import- and resource-intensive investment; commodity exporters' continued adjustment to lower revenues; spillovers from persistently weak demand in advanced economies; and domestic strife, political discord, and geopolitical tensions in several countries. While growth in emerging Asia and especially India continues to be resilient, the largest economies in subSaharan Africa (Nigeria, South Africa, Angola) are experiencing sharp slowdowns or recessions as lower commodity prices interact with difficult domestic political and economic conditions. Brazil and Russia continue to face challenging macroeconomic conditions, but their outlook has strengthened somewhat relative to last April. The recovery is projected to pick up in 2017 as the outlook improves for emerging market and developing economies and the U.S. economy regains some momentum, with a fading drag from inventories and a recovery in investment. Although longer-term prospects for advanced economies remain muted, given demographic headwinds and weak productivity growth, the forecast envisages a further strengthening of growth in emerging market and developing economies over the medium term. But as noted in previous WEOs, this forecast depends on a number of important assumptions:

1. A gradual normalization of conditions in economies currently under stress, with a general pickup in growth in commodity exporters, albeit to levels more modest than in the past.
2. A gradual slowdown and rebalancing of China's economy with medium-term growth rates that—at close to 6 percent—remain higher than the average for emerging market and developing economies.
3. Resilient growth in other emerging market and developing economies.

Both economic and noneconomic factors threaten to keep these assumptions from being realized and imperil the baseline outlook more generally. In particular, some risks flagged in recent WEOs have become more prominent in recent months. The first is political discord and inward-looking policies. The Brexit vote and the ongoing U.S. presidential election campaign have highlighted a fraying consensus about the benefits of cross-border economic integration. Concerns about the impact of foreign competition on jobs and wages in a context of weak growth have enhanced the appeal of protectionist policy approaches, with potential ramifications for global trade flows and integration more broadly. Concerns about unequal (and widening) income distribution are rising, fueled by weak income growth as productivity dynamics remain

disappointing. Uncertainty about the evolution of these trends may lead firms to defer investment and hiring decisions, thus slowing near-term activity, while an inward looking policy shift could also stoke further cross border political discord.

A second risk is stagnation in advanced economies. As global growth remains sluggish, the prospect of an extended shortfall in private demand leading to permanently lower growth and low inflation becomes ever more tangible, particularly in some advanced economies where balance sheets remain impaired. At the same time, a protracted period of weak inflation in advanced economies risks unmooring inflation expectations, causing expected real interest rates to rise and spending to decline, eventually feeding back to even weaker overall growth and inflation.

Other risks flagged in previous WEOs remain important potential influences on the outlook. China's ongoing adjustment and associated spillovers continue to be pertinent, even as near-term sentiment regarding China has appeared to recover from the acute anxiety at the start of the year. The economy's transition away from reliance on investment, industry, and exports in favor of greater dependence on consumption and services could become bumpier than expected at times, with important implications for commodity and machinery exporters as well as for countries indirectly exposed to China through financial contagion channels. That risk is heightened by the current short-term growth-promoting measures on which China is relying, as a still-rising credit-to-GDP ratio and lack of decisive progress in addressing corporate debt and governance concerns in state-owned enterprises raise the risk of a disruptive adjustment.

More generally, although financial conditions in emerging markets have continued to improve in recent months, underlying vulnerabilities remain among some large emerging market economies. High corporate debt, declining profitability, weak bank balance sheets—together with the need to rebuild policy buffers, particularly in commodity exporters—leave these economies still exposed to sudden shifts in investor confidence. A range of additional non-economic factors continues to influence the outlook in various regions—the protracted effects of a drought in eastern and southern Africa; civil war and domestic conflict in parts of the Middle East and Africa and the tragic plight of refugees in neighboring countries and in Europe; multiple acts of terror worldwide; and the spread of the Zika virus in Latin America and the Caribbean, the southern United States, and southeast Asia.

If these factors intensify, they could collectively take a large toll on market sentiment, hurting demand and activity. Upside developments include the orderly re-pricing in financial markets after the initial shock of the Brexit vote; sustained improvements in the U.S. labor market; and a modest recent uptick in commodity prices, which should ease some of the pressure on commodity exporters. These developments point to the possibility of a better-than-envisaged pickup in momentum, which could be even stronger if countries adopt comprehensive frameworks to lift actual and potential output. While the baseline forecast for the global economy points to a pickup in growth over the rest of the forecast horizon from its subdued pace this year, the potential for setbacks to this outlook is high, as underscored by repeated growth markdowns in recent years. Against this backdrop, policy priorities differ across individual economies depending on the specific objectives of improving growth momentum, combating deflation pressures, or building resilience. But a common theme is that urgent action relying on all policy levers is needed to head off further growth disappointments and combat damaging perceptions that policies are ineffective in boosting growth or that the rewards accrue only to those at the higher end of the income distribution.

In advanced economies, output gaps are still negative, wage pressures are generally muted, and the risk of persistent low inflation (or deflation, in some cases) has risen. Monetary policy therefore must remain accommodative, relying on unconventional strategies as needed. But accommodative monetary policy alone cannot lift demand sufficiently, and fiscal support—calibrated to the amount of space available and oriented toward policies that protect the vulnerable and lift medium-term growth prospects—therefore remains essential for generating momentum and avoiding a lasting downshift in medium-term inflation expectations. In countries facing rising public debt and social entitlement outlays, credible commitments to medium-term consolidation can generate additional space for near-term support. And fiscal policy should concentrate outlays on uses that most strongly support demand and longer-term potential growth. More broadly, accommodative macroeconomic policies must be accompanied by structural reforms that can counteract waning potential growth—including efforts to boost labor force participation, improve the matching process in labor markets, and promote investment in research and development and innovation.

Across emerging market and developing economies, the broad common policy objectives are continued convergence to higher incomes by reducing distortions in product, labor, and capital markets and giving people a better chance in life by investing wisely in education and health care. These goals can only be realized in an environment safe from financial vulnerability and the risk of reversals. Economies with large and rising nonfinancial debt, unhedged foreign liabilities, or

heavy reliance on short-term borrowing to fund longer-term investments must adopt stronger risk management practices and contain currency and balance sheet mismatches.

For countries hardest hit by the slump in commodity prices, adjustment to reestablish macroeconomic stability is urgent. This implies fully allowing the exchange rate to absorb pressures for countries not relying on an exchange rate peg, tightening monetary policy where needed to tackle sharp increases in inflation, and ensuring that needed fiscal consolidation is as growth friendly as possible. Low-income developing economies must rebuild fiscal buffers while continuing to spend on critical capital needs and social outlays, strengthen debt management, and implement structural reforms—including in education—that pave the way for economic diversification and higher productivity.

While essential at the country level, these policies for all country groups would be even more effective if adopted broadly throughout the world, with due attention to country-specific priorities. With growth weak and policy space limited in many countries, continued multilateral effort is required in several areas to minimize risks to financial stability and sustain global improvements in living standards. This effort must proceed simultaneously on a number of fronts. Policymakers must address the backlash against global trade by refocusing the discussion on the long term benefits of economic integration and ensuring that well-targeted social initiatives help those who are adversely affected and facilitate, through retraining, their absorption into expanding sectors. Effective banking resolution frameworks, both national and international, are vital, and emerging risks from nonbank intermediaries must be addressed. A stronger global safety net is more important than ever to protect economies with robust fundamentals that may nevertheless be vulnerable to cross-border contagion and spillovers, including strains that are not economic.

(Source: <http://indiabudget.nic.in/es2016-17/echap01.pdf>)

Global Growth Forecast to Rise Further in 2018 and 2019

Global growth for 2017 is now estimated at 3.7 percent, 0.1 percentage point higher than projected in the fall. Upside growth surprises were particularly pronounced in Europe and Asia but broad based, with outturns for both the advanced and the emerging market and developing economy groups exceeding the fall forecasts by 0.1 percentage point.

The stronger momentum experienced in 2017 is expected to carry into 2018 and 2019, with global growth revised up to 3.9 percent for both years (0.2 percentage point higher relative to the fall forecasts).

Advanced Economies

- The growth forecast in the United States has been revised down from 2.3 percent to 2.1 percent in 2017 and from 2.5 percent to 2.1 percent in 2018. While the markdown in the 2017 forecast reflects in part the weak growth outturn in the first quarter of the year, the major factor behind the growth revision, especially for 2018, is the assumption that fiscal policy will be less expansionary than previously assumed, given the uncertainty about the timing and nature of U.S. fiscal policy changes. Market expectations of fiscal stimulus have also receded.
- The growth forecast has also been revised down for the United Kingdom for 2017 on weaker-than-expected activity in the first quarter.
- By contrast, growth projections for 2017 have been revised up for many euro area countries, including France, Germany, Italy, and Spain, where growth for the first quarter of 2017 was generally above expectations. This, together with positive growth revisions for the last quarter of 2016 and high-frequency indicators for the second quarter of 2017, indicate stronger momentum in domestic demand than previously anticipated.
- The growth forecast for 2017 was also revised up for Canada, where buoyant domestic demand boosted first-quarter growth to 3.7 percent and indicators suggest resilient second-quarter activity, and marginally for Japan, where private consumption, investment, and exports supported first quarter growth.

SUMMARY OF OUR BUSINESS

Our Company was originally incorporated as a private limited company on February 16, 1996 under the name Tejaswi Packaging Private Limited vide certificate of Incorporation, issued by the Registrar of Companies, Andhra Pradesh under the provisions of Companies Act 1956. Subsequently, our Company was converted into a public limited company pursuant to special resolution passed at the Extra-ordinary General Meeting of our Company held on January 17, 2018 and the name of our company was changed to “Tejaswi Packaging Limited”. Upon conversion into a public limited company, a fresh certificate of incorporation was issued by the Registrar of Companies, Andhra Pradesh & Telangana on January 24, 2018. The Corporate Identification Number of our Company is U63010TG1996PLC023241.

We are a leading manufacturer in the rigid packaging space primarily Bottles, Containers and Jars for several major companies in the Agrochemical and Veterinary space. We primarily manufacture Blow Molded HDPE products using state-of-the-art technologies and intend to enter into the manufacturing of PET products very shortly. The company has its principle office in Hyderabad, India and services many large Clients in the South and the West of the country. We are led by steadfast, experienced management and are a process driven organization, always striving to become more efficient while maintaining value. We aim to be the leading manufacturer of HDPE products in South India by 2022.

The company services a wide ranging clientele including several multinational companies and has a long history of customer satisfaction. With a portfolio of over 300 products, we have grown consistently and have registered YoY growth that has seen the company become one of the leading players in the HDPE manufacturing industry. Our Unit -1 and Unit -2 currently have a combined installed capacity of 800 metric tonnes of production spread over 14,600 sq. feet area. We all set to expand our production capacity to 1100 metric tonnes by the end of FY 2018-19 and 1600 metric tonnes by the end of 2019-20 with another unit built over an area of 23,000 sq. feet

Our progress in this business can be evaluated from the Restated Financial Statements given elsewhere in this Draft Prospectus. The main components of such Financial Statements such as Total Income, Profit After Tax and EBITDA are been discussed here. Our total income was ₹ 1261.14 Lakhs, ₹ 1153.72 Lakhs, ₹ 1363.11 Lakhs, ₹ 1087.78 Lakhs, ₹ 968.30 Lakhs for FY 2016-17, 2015-16, 2014-15, 2013-14 and 2012-13 respectively and for the Nine months period ended on December 31, 2017 was ₹ 1204.17 Lakhs. Our EBITDA was ₹ 214.05 Lakhs, ₹ 190.18 Lakhs, ₹ 262.43 Lakhs, ₹ 97.59 Lakhs, ₹ 109.26 Lakhs for FY 2016-17, 2015-16, 2014-15, 2013-14 and 2012-13 respectively and for the Nine months period ended on December 31, 2017 was ₹ 274.61 Lakhs, while our Profit After Tax, in such periods was ₹ 109.65 Lakhs, ₹ 103.66 lakhs, ₹ 164.38 Lakhs, ₹ (6.67) Lakhs and ₹ 50.36 Lakhs respectively and for the Nine Months period ended on 31st December, 2017 was ₹ 170.11 Lakhs.

UTILITIES & INFRASTRUCTURE FACILITIES

Our Registered office is situated at Plot No. 6A, Phase-1 IDA Cherlapally, Hyderabad Pin: 500051. Our three manufacturing units are located at IDA Cherlapally in Hyderabad, expanded over an area of 51,120 Sq. feet of industrial land. Our office/units are well equipped with computer systems, relevant software, other communication equipment, uninterrupted power supply, internet connectivity, security and other facilities, which are required for our business operations to function smoothly.

POWER

The requirement of power for our production units is for lighting, air conditioning and operating the machines. It is met through the local power distribution company where the units are located.

WATER

Water required for manufacturing process, human consumption and other purposes is fully met at the existing premises from ground water and regular supply from municipality.

RAW MATERIAL

The basic material required is plastic granules and additive. The raw materials are procured from the giants of the industries. The Company has entered into memorandums of understanding (MoU) with the suppliers of raw materials for

ensuring timely and continuous supply of raw material. Our major suppliers are Haldia Petrochemicals Limited and Gas Authority of India Limited.

OUR PRODUCTS

Our Company is engaged in the business of manufacturing of HDPE (High Density Polyethylene)/PP (Polypropylene) Bottles and Containers. HDPE plastic bottles offer a mildly stiff impact resistant Bottle, with a great moisture barrier. The HDPE plastic Bottles are available in multiple shapes and sizes. These plastic Bottles are also available in natural, white and a variety of colours available with a variety of closure options. The following are some of the products manufactured by our company:



SUMMARY OF OUR FINANCIAL STATEMENTS

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 no 120 of this Draft Prospectus. The summary financial information presented below should be read in conjunction with our restated financial statements for the Nine Months Ended and financial year ended March 31, and including the notes thereto and the chapter titled '*Management's Discussion and Analysis of Financial Condition and Results of Operations*' on page no 143 of this Draft Prospectus.

Statement of Assets and Liabilities, as Restated

(₹n Lakhs)

S.No.	Particulars	As at December 31, 2017	As at March 31,				
			2017	2016	2015	2014	2013
I.	EQUITY AND LIABILITIES						
1	Shareholders' Funds						
	(a) Share capital	410.00	41.00	41.00	41.00	41.00	41.00
	(b) Reserves and surplus	459.34	658.22	548.58	444.92	280.54	287.21
2	Non-current liabilities						
	(a) Long-term borrowings	7.12	106.76	7.72	8.58	75.51	91.54
	(b) Deferred tax liabilities (net)	0.78	0.12	-	-	-	-
	(c) Long-term provisions	23.32	-	-	-	-	-
3	Current liabilities						
	(a) Short-term borrowings	228.31	135.47	183.96	97.13	46.34	131.20
	(b) Trade payables	1.20	3.63	7.73	7.69	6.90	1.18
	(c) Other current liabilities	47.53	8.41	16.27	13.60	139.15	74.85
	(d) Short-term provisions	24.55	20.33	15.05	49.66	9.06	8.89
	TOTAL	1,202.17	973.94	820.30	662.59	598.50	635.86
I.	ASSETS						
1	Non-current assets						
	(a) Property, plant and equipment						
	i. Tangible assets	425.70	407.92	397.87	162.90	201.38	134.10
	ii. Capital work-in-progress	43.03	-	-	-	-	64.07
	(b) Non-current investments	0.01	0.01	0.01	0.01	0.01	0.01
	(c) Deferred tax assets (net)	-	-	4.17	8.51	9.46	28.15
	(d) Long-term loans and advances	20.98	21.19	20.22	17.90	10.13	8.54
2	Current assets						
	(a) Current Investmens	-	70.96	-	57.19	-	-
	(b) Inventories	22.28	65.39	73.85	54.94	44.00	30.80
	(c) Trade receivables	656.12	383.04	305.78	344.24	316.59	300.67
	(d) Cash and cash equivalents	2.58	5.03	1.16	1.11	1.96	55.38
	(e) Short-term loans and advances	30.88	20.21	17.22	15.79	14.97	14.15
	(f) Other current assets	0.58	0.19	-	-	-	-
	TOTAL	1,202.17	973.94	820.30	662.59	598.50	635.86

Statement of Profit & Loss, as Restated

(₹ in Lakhs)

Particulars	For the period ended December 31, 2017	For the year ended March 31,				
		2017	2016	2015	2014	2013
Revenue from operations	1139.69	1236.35	1127.72	1194.81	1075.75	958.75
Other Income	64.47	24.79	26.00	168.30	12.03	9.55
Total Revenue (I+II)	1204.17	1261.14	1153.72	1363.11	1087.78	968.30
Expenditure						
Cost of materials consumed	619.67	718.02	661.99	807.35	719.69	588.55
(Increase)/ decrease in inventories of work-in-progress and finished goods	1.04	(0.54)	0.10	5.21	(5.40)	5.29
Manufacturing expenses	132.17	150.75	138.27	144.30	146.32	138.80
Employee benefits expense	153.43	146.32	132.39	111.30	105.96	106.54
Finance costs	27.07	37.67	21.25	28.58	41.41	31.89
Depreciation expense	12.07	13.23	12.21	20.30	36.58	30.70
Other expenses	23.26	32.55	30.79	32.53	23.63	19.85
Total Expenses (IV)	968.69	1,097.99	997.00	1,149.56	1,068.18	921.63
Profit before exceptional and extraordinary items and tax (III - IV)	235.47	163.15	156.72	213.55	19.60	46.67
Exceptional items	-	-	-	-	-	-
Profit before extraordinary items and tax (V - VI)	235.47	163.15	156.72	213.55	19.60	46.67
Extraordinary items	-	-	-	-	-	-
Profit before tax (VII- VIII)	235.47	163.15	156.72	213.55	19.60	46.67
Tax expense:						
(1) Current tax	64.69	49.21	48.72	48.22	7.58	16.89
(2) Deferred tax	0.67	4.29	4.34	0.95	18.69	(20.58)
	65.36	53.50	53.06	49.17	26.27	(3.69)
Profit (Loss) for the period (IX - X)	170.11	109.65	103.66	164.38	(6.67)	50.36

Statement of Cash Flow, as Restated

(₹ in Lakhs)

Particulars	For the period ended December 31, 2017	For the year ended March 31,				
		2017	2016	2015	2014	2013
CASH FLOW FROM OPERATING ACTIVITIES						
Net Profit Before Tax	235.47	163.15	156.72	213.55	19.60	46.67
Adjustments for:						
Depreciation	12.07	13.23	12.21	20.30	36.58	30.70
Interest Expenses	26.92	35.81	19.11	26.08	38.95	30.70
Loss/(Profit) on Sale of Investments	(49.44)	(7.44)	(13.19)	(5.62)	-	-
Loss/(Profit) on Sale of Property, Plant and Equipment	-	-	-	(148.54)	-	-
Dividend Income	(0.56)	-	(0.53)	(0.25)	-	-
Interest Income	(0.89)	(0.89)	(0.16)	-	-	-
Provision for Gratuity	23.32	-	-	-	-	-
Operating Profit before Working Capital Changes	246.89	203.87	174.17	105.51	95.13	108.07
Adjustments for:						
Decrease/(Increase) in Trade Receivables	(273.08)	(77.26)	38.46	(27.65)	(15.92)	(83.58)
Decrease/(Increase) in Inventories	43.11	8.46	(18.92)	(10.94)	(13.20)	12.07
Decrease/(Increase) in Short-term loans and advances	(10.67)	(2.99)	(1.42)	(0.82)	(0.82)	(3.46)
Decrease/(Increase) in Long-term loans and advances	0.21	(0.97)	(2.33)	(7.77)	(1.59)	(0.58)
Decrease/(Increase) in Other Current Assets	(0.40)	-	-	-	-	-
Increase/(Decrease) in Trade Payables	(2.44)	(4.10)	0.04	0.79	5.71	(4.32)
Increase/(Decrease) in Other Current Liabilities	39.12	(7.85)	2.66	(125.55)	64.30	21.73
Cash generated from Operations	42.76	119.16	192.67	-66.42	133.62	49.92
Less: Income Tax Paid	(60.46)	(43.93)	(83.33)	(7.62)	(7.41)	(17.40)
Net Cash flow from Operating Activities (A)	(17.71)	75.23	109.33	(74.04)	126.21	32.52
CASH FLOW FROM INVESTING ACTIVITIES						
Payment for Purchase of Property, Plant and Equipment	(72.88)	(23.28)	(247.19)	(14.40)	(39.80)	(29.41)
Proceeds from Sale of Property, Plant and Equipment	-	-	-	181.13	-	-
Proceeds from Sale of Current Investments	120.40	47.15	78.23	41.93	-	-
Payment for Purchase of Current Investments	-	(110.85)	(7.85)	(93.51)	-	-
Interest received	0.89	0.89	0.16	-	-	-
Dividend received	0.56	-	0.53	0.25	-	-
Net Cash used in Investing Activities (B)	48.97	(86.09)	(176.13)	115.41	(39.80)	(29.41)

CASH FLOW FROM FINANCING ACTIVITIES						
Proceeds/(Repayment) of Long-term Borrowings	(99.63)	99.03	(0.86)	(66.93)	(16.02)	8.73
Proceeds/(Repayment) of Short-term Borrowings	92.84	(48.49)	86.82	50.79	(84.86)	73.95
Interest paid	(26.92)	(35.81)	(19.11)	(26.08)	(38.95)	(30.70)
Net Cash used in Financing Activities (C)	(33.71)	14.73	66.85	(42.22)	(139.83)	51.98
Net increase in Cash & Cash Equivalents (A+B+C)	(2.45)	3.87	0.05	(0.85)	(53.41)	55.09
Cash and cash equivalents at the beginning of the year	5.03	1.16	1.11	1.96	55.38	0.28
Cash and cash equivalents at the end of the year	2.58	5.03	1.16	1.11	1.96	55.38
Components of Cash and cash equivalents:						
Cash-in-hand	0.55	4.68	0.90	0.67	1.92	0.28
Balance in CD Account	2.03	0.35	0.26	0.44	0.04	55.10
Total cash and cash equivalents	2.58	5.03	1.16	1.11	1.96	55.38

THE ISSUE

The following is the summary of the Issue:

Particulars	No of Equity Shares
Equity Shares Offered#	23,06,000 Equity Shares of face value of ₹10 each fully paid of the Company for cash at price of ₹59 per Equity Share aggregating ₹1360.54 Lakhs
Fresh Issue consisting of:	
Issue Reserved for Market Maker	1,58,000 Equity Shares of face value of ₹10 each fully paid of the Company for cash at price of ₹59 per Equity Share aggregating ₹93.22 Lakhs
Net Issue to Public	21,48,000 Equity Shares of face value of ₹10 each at a price of ₹59 per Equity Share to the Public aggregating ₹ 1267.32 Lakhs
	of which:
	10,74,000 Equity Shares of face value of ₹10 each at a price of ₹59 per Equity Share to the Retail Portion
	10,74,000 Equity Shares of face value of ₹10 each at a price of ₹59 per Equity Share to the Non-Retail Portion
Equity Shares outstanding prior to the Issue	41,00,000 Equity Shares
Equity Shares outstanding after the Issue	64,06,000 Equity Shares
Objects of the Issue	Please refer chapter 'Objects of the Issue' on page no 56 of this Draft Prospectus

#Public issue of up to 23,06,000 Equity Shares of ₹10.00 each for cash at a price of ₹59 per Equity Share of our Company aggregating to ₹1360.54 Lakhs is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. For further details please refer to section 'Terms of the Issue' on page 169 of this Draft Prospectus.

The Issue has been authorized by our Board pursuant to a resolution dated April 02, 2018, and by our Equity Shareholders pursuant to a resolution passed at the Extraordinary General Meeting held on April 09, 2018.

Note:

As per Regulation 43(4) of the SEBI (ICDR) Regulations, as amended, as present issue 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.

GENERAL INFORMATION

Our Company was originally incorporated as Tejaswi Packaging Private Limited on February 16, 1996 with the Registrar of Companies, Andhra Pradesh under the provisions of the Companies Act, 1956. Subsequently our Company was converted into Public Limited Company and the name of our Company was changed to Tejaswi Packaging Limited. A fresh certificate of incorporation consequent upon conversion to public limited Company was issued by the Registrar of Companies, Andhra Pradesh & Telangana on January 24, 2018. For further details of our Company, please refer “General Information” and “Our History and Certain Other Corporate Matter” beginning on page no 40 and 97 respectively, of this Draft Prospectus.

Registered Office

Plot No 6A, Phase I, IDA, Cherlapally,
 Ranga Reddy, Hyderabad, Telangana-500051

Board of Directors

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

Sr. No.	Name	Designation	DIN	Address
1)	Mr. Alapaty Hari Hara Prasad	Chairman & Managing Director	01842130	22/3RT MIGH, Vijayanagar Colony, Hyderabad-500 057, Telangana
2)	Mrs. Alapaty Aruna	Non Rotational Executive Director	01842115	22/3RT MIGH, Vijayanagar Colony, Hyderabad-500 057, Telangana
3)	Mr. Alapati Kranthi Teja	Non-Executive Director	07468404	10-3-327/1/A-22/3RT MIGH, Vijayanagar Colony, Hyderabad- 500 057, Telangana
4)	Mr. Anantha Narayana Katakam	Independent Director	08061968	8-2-547/1/2/B, Flat Number 302, Idea Heavens, Road Number 7, Opp. Lane to Ratnadeep Super Market, Banjara Hills, Hyderabad – 500034, Telangana
5)	Mr. Gudipati Thirupathi Reddy	Independent Director	02594817	8-2-686/D/B/10, Road No-12, Banjara Hills, Hyderabad-500034, Telangana
6)	Mr. Venkat Prasad Chirumamilla	Independent Director	08075502	B8-2293/82/BE/90, Navanirman Nagar, Near Jubilee Hills Public School, Hyderabad-500033, Telangana

For further details of Management of our Company, please refer to section titled “Our Management” beginning on page no 101 of this Draft Prospectus.

Registrar of Companies

Name : ROC Hyderabad, Andhra Pradesh & Telangana
Address : 2nd Floor, Corporate Bhawan, GSI Post, Tattianaram, Nagole, Bandlaguda, Hyderabad - 500 068

Tel No. : +91 040 29805427/29803827/29801927
E-Mail ID : roc.hyderabad@mca.gov.in
Website : www.mca.gov.in

Company Secretary & Compliance Officer

Name : Ms. Ekta Sharma
Address : Plot No 6A, Phase I,IDA, Cherlapally, Ranga Reddy, Hyderabad-500 051
 Telangana
Tel No. : 040-27261451
E-Mail ID : compliance@tejaswipackaging.com

Investors may contact the Compliance Officer and/or the Registrar to the Issue and/or the Lead Manager to the Issue in case of any Pre-Issue or Post-Issue related matter such as non-receipt of letters of Allotment, credit of allotted Equity Shares in the respective beneficiary account, unblocking of amount in ASBA etc.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the concerned SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount blocked, ASBA Account number and the Designated Branch of the SCSB where the ASBA Application Form was submitted by the ASBA Applicant.

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

Chief Financial Officer

Name : Mrs. D Sunitha
Address : Plot No 6A, Phase I,IDA, Cherlapally, Ranga Reddy, Hyderabad,Telangana-500051
Tel No. : 040-27261451
Mobile Number : +91- 9912890853
E-Mail ID : compliance@tejaswipackaging.com

Designated Stock Exchange

Name : National Stock Exchange of India Limited
Address : Exchange Plaza, Plot No. C/1,G Block,
 Bandra-Kurla Complex, Bandra (E), Mumbai -400 051
Website : www.nseindia.com/emerge

Lead Manager to the Issue

Name : Mark Corporate Advisors Private Limited
Address : 404/1, The Summit Business Bay,
 Sant Janabai Road (Service Lane),
 Off W. E. Highway, Vile Parle (East),
 Mumbai-400 057.
Tel No. : +91 22 2612 3207/08
Contact Person : Mr. Manish Gaur / Shobhit R Agrawal
E-Mail ID : smeipo@markcorporatedvisors.com
SEBI Reg. No. : INM000012128
Investor Grievance E-Mail ID : investorgrievance@markcorporateadvisors.com
Website : www.markcorporateadvisors.com

Registrar & Share Transfer Agent

Name : Bigshare Services Private Limited
SEBI Regn No. : INR 000001385
Address : 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis,
 Makhwana Road, Marol, Andheri (E),
 Mumbai – 400 059
Contact Person : Mr. Srinivas Dornala
Tel No. : +91 22 62638200
E-Mail ID : ipo@bigshareonline.com
Website : www.bigshareonline.com

Statutory & Peer Auditor

Name : M/s. KARVY & Co., Chartered Accountants
Address : No.2, Bhooma Plaza, St. No. 4, Avenue 7,
 Banjara Hills, Hyderabad – 500 034,
 Telangana
Tel No. : 040-23354995,23358625
Email Id : info@karvycompany.com
Contact Person : Ajaykumar Kosaraju
Firm Registration No : 001757S
Membership No : 021989
Peer Review Certificate No. : 010913

Legal Advisor to the Issue

Name : M/s. Juris Matrix Partners LLP
Address : 302,Apeejay House,130, Mumbai Samachar Marg,
 Fort, Mumbai 400 001
Tel No. : 91-22-22856164/22834519
E-Mail ID : anil@jurismatrix.net.in
Website : www.jurismatrix.net

Secretarial Auditor

Name of The Firm : M/s. D. Hanumanta Raju & Co., Company Secretaries
Address : B-13,F-1,P.S.Nagar,VijayNagar Colony,
 Hyderabad -500 057
Contact Person : CS Shaik Razia, Partner
Tel No. : 040-23347946/040-23341213
Membership Number : FCS 7122
E-Mail ID : dhr300@gmail.com
Certificate Of Practice Number : 7824

Bankers to the Company

Name of the Bank : Central Bank of India
Address : Gudimalkapur Branch,,Hyderabad
Contact Name : Mr. A.G.G Badde
Contact No. : 040-23428614
E-Mail ID : bmhyde3080@centralbank.co.in
Website : www.centralbankofindia.co.in

Bankers to the Issue

Name	:	[•]
Address	:	[•]
Tel No.	:	[•]
Fax No.	:	[•]
E-Mail ID	:	[•]
Website	:	[•]

Self-Certified Syndicate Banks (SCSB's)

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process is provided on the website of SEBI at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details of the Designated Branches which shall collect Application Forms, please refer to the above-mentioned link.

Registered Brokers

In accordance with SEBI Circular No. CIR/CFD/14/2012 dated October 04, 2012 and CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, Applicants can submit Application Forms with the Registered Brokers at the Broker Centres, CDPs at Designated CDP Locations or the RTAs at the Designated RTA Locations, respective lists of which, including details such as address and telephone numbers, are available at the websites of the stock exchange, as updated from time to time.

Registrar and Share Transfer Agents

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the websites of Stock Exchange as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the websites of Stock Exchanges as updated from time to time.

CREDIT RATING

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

TRUSTEES

This being an issue 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.

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 ₹10,000 Lakhs. Since the Issue size is less than ₹10,000 Lakhs, our Company has not appointed any monitoring agency for this Issue. However, as per the Regulation 18 (3) read with part C of schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Audit Committee of our Company would be monitoring the utilization of the proceeds of the Issue.

DETAILS OF THE APPRAISING AUTHORITY

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

INTER-SE ALLOCATION OF RESPONSIBILITIES

Since, Mark Corporate Advisors Private Limited is the sole Lead Manager to this Offer, all the issue related Activities will be managed by them.

EXPERT OPINION

Except the report of Statutory Auditor of our Company on statement of tax benefits included in the Draft Prospectus, our Company has not obtained any other expert opinion.

UNDERWRITING

This Issue is 100% Underwritten. The Underwriting Agreement is dated [•], 2018 pursuant to the terms of the underwriting agreement, the obligations of the underwriter are subject to certain conditions specified therein.

The underwriter has indicated its intention to underwrite the following number of specified securities being offered through this Issue.

Name and Address of the Underwriter	Indicative Number of Equity shares to be Underwritten	Amount Underwritten (₹ in Lakhs)	% of the Total Issue Size Underwritten
[•]	[•]	[•]	[•]
Total			

In the opinion of the Board of Directors of the Company, the resources of the above-mentioned underwriter are sufficient to enable them to discharge their respective underwriting obligations in full. Further, the underwriter shall be paid a commission at the rate of 0.25% of the net offer to the public.

Details of the Market Making Arrangement

Our Company has entered into Market Making Agreement dated [•], with the Lead Managers and Market Maker, duly registered with National Stock Exchange of India Limited to fulfill the obligations of Market Making:

Name : [•]
Address : [•]
Tel No. : [•]
Fax : [•]
Email : [•]
Contact Person : [•]
SEBI Reg. No. : [•]

[•], registered with National Stock Exchange of India Limited in NSE-Emerge will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI (ICDR) Regulations.

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

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

- 1) The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. 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 ₹1,00,000. However, the investors with holdings of value less than ₹1,00,000 shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
- 3) After a period of three (3) years from the market making period, the market maker would be exempted to provide quote if the Shares of market maker in our Company reaches to 25 % of Issue Size (including the 1,58,000 Equity Shares to be allotted under this Issue.) Any Equity Shares allotted to Market Maker under this Issue over and above 1,58,000 Equity Shares would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of market maker in our Company reduce to 24% of Issue Size, the market maker will resume providing 2-way quotes.
- 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. At this stage, [•] Private Limited is acting as the sole Market Maker.
- 7) On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
- 8) The Market Maker may also be present in the opening call auction, but there is no obligation on him to do so.
- 9) There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non- controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
- 10) The Market Maker(s) shall have the right to terminate said arrangement by giving one month 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(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 106V of the SEBI (ICDR) Regulations, 2009. Further the Company and the Lead Manager reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our Registered Office from 11.00 a.m. to 5.00 p.m. on working days.
- 11) National Stock Exchange of India Limited SME will have all margins which are applicable on the National Stock Exchange of India Limited Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE SME can impose any other margins as deemed necessary from time-to-time.
- 12) NSE Emerge 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(s) 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.
- 13) The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.

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

CAPITAL STRUCTURE

The Share Capital of our Company as of the date of this Draft Prospectus before and after the issue is set forth below:

(₹ In Lakhs)

Sr. No.	Particulars	Aggregate Value at	
		Face Value	Issue Price
A.	AUTHORISED SHARE CAPITAL		
	7,00,00,00 Equity Shares of face value of ₹10 each	700.00	
B.	ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL		
	41,00,000 fully paid up Equity Shares of face value of ₹10 each	410.00	
C.	PRESENT ISSUE IN TERMS OF PROSPECTUS*		
	23,06,000 Equity Shares of face value of ₹10 each at a price of ₹59 per Equity Share	230.60	1360.54
	<i>Which comprises of:</i>		
	1,58,000 Equity Shares of face value of ₹10 each at a price of ₹59 per Equity Share reserved as Market Maker portion	15.80	93.22
	Net Issue to Public of 21,48,000 Equity Shares of face value of ₹10 each at a price of ₹59 per Equity Share to the Public	214.80	1267.32
	<i>Of which:</i>		
	Retail Portion: 10,74,000 Equity Shares of face value of ₹10 each at a price of ₹59 per Equity Share will be available for allocation to Investors up to ₹2.00 Lakhs	107.40	633.66
	Non- Retail Portion: 10,74,000 Equity Shares of face value of ₹10 each at a price of ₹59 per Equity Share will be available for allocation to Investors above ₹2.00 Lakhs	107.40	633.66
D.	ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL AFTER THE ISSUE		
	64,06,000 Equity Shares of face value of ₹10 each	640.60	-
E.	SECURITIES PREMIUM ACCOUNT		
	Before the Issue		NIL
	After the Issue		1129.94

*The Issue has been authorized pursuant to a resolution of our Board under section Section 180(1) (C) & 62(1)(c) dated April 02,2018 and a Special Resolution passed under Section 23 and Section 62(1)(c) of the Companies Act, 2013 at an EGM of our shareholders held on April 09,2018

Classes of Shares

The Company has only one class of Share Capital i.e. Equity Shares of face value of ₹10 each only. All Equity Shares issued are fully paid-up.

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

History of change in Authorized Equity Share Capital of Our Company:

Sr. No.	Particulars of Change		Date of Shareholders Meeting	AGM/EGM
	From	To		
1)	₹35,00,000 (3,50,000 Equity Shares of ₹ 10 each)		On Incorporation	-
2)	₹ 35,00,000 (3,50,000 Equity Shares of ₹ 10 each)	₹ 50,00,000 (5,00,000 Equity Shares of ₹ 10 each)	July 31,1997	AGM
3)	₹ 50,00,000 (5,00,000 Equity Shares of ₹ 10 each)	₹ 1,00,00,000 (10,00,000 Equity Shares of ₹ 10 each)	September 30,1999	AGM
4)	₹ 1,00,00,000 (10,00,000 Equity Shares of ₹ 10 each)	₹ 7,00,00,000 (70,00,000 Equity Shares of ₹ 10 each)	December 28,2017	EGM

NOTES TO THE CAPITAL STRUCTURE:

1) Equity Share Capital History:

Date of Allotment of Equity Shares	No. of Equity Shares Issued	Face Value (₹)	Issue Price (₹)	Nature of Consideration	Nature of allotment	Cumulative No. of Equity Shares	Cumulative paid-up share capital (₹)
Incorporation	400	10	10	Cash	Subscription to MOA	400	4000
March 29, 1997	3,49,600 ⁽ⁱⁱⁱ⁾	10	10	Cash	Allotment	3,50,000	35,00,000
March 28, 1998	24,300 ⁽ⁱⁱⁱ⁾	10	10	Cash	Allotment	3,74,300	37,43,000
April 02, 1998	14,300 ^(iv)	10	10	Cash	Allotment	38,8600	38,86,000
July 01, 1998	11,400 ^(v)	10	10	Cash	Allotment	4,00,000	40,00,000
February 11, 1999	10,000 ^(vi)	10	10	Cash	Allotment	4,10,000	4,10,00,000
December 30, 2017	36,90,000 ^(vii)	10	10	Nil	Bonus in the ratio of 1 Equity Shares get 9 Bonus Equity Shares	41,00,000	4,10,00,000

Note: Allotment includes the initial Subscriber of the MOA and relative persons belongs to promoter and promoter Group

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

Sr. No.	Name of the Person	No. of Shares Allotted
1)	Mr.K. Sudarshan Reddy	100
2)	Mr. K. Sudir Kumar Reddy	100
3)	Mrs. Alapaty Aruna	100
4)	Mr.Alapaty Hari Hara Prasad	100
	Total	400

(ii.) *Allotment of 3,49,600 Equity Shares:*

Sr. No.	Name of the Person	No. of Shares Allotted
1)	Sri B. Rajendra Babu	15,000
2)	Smt. B Rajya Lakshmi	15,000
3)	Shri B.Rajanna	10,000
4)	Sri K.Sudarshan Reddy	39,900
5)	Sri K. Sudhir Kumar Reddy	56,900
6)	Smt. Alapaty Aruna	49,900
7)	Sri Alapaty Hari Hara Prasad	9,900
8)	Smt.V Seshi Kala	50,000
9)	Sri Alapati Siva Sankara Prasad	50,000
10)	Smt. K.Sunitha	15,000
11)	Smt. K Uma Sundari	3,000
12)	Sri M. Limba Reddy	10,000
13)	Sri K. Hanumatha Reddy	25,000
	Total	3,49,600

(iii.) *Further Allotment of 24,300 Equity Shares:*

Sr. No.	Name of the Person	No. of Shares Allotted
1)	Smt. B Lakshmi	10,000
2)	Sri K.Sudarshan Reddy	2,000
3)	Sri K. Sudhir Kumar Reddy	200
4)	Smt. Alapaty Aruna	1,500
5)	Sri Alapaty Hari Hara Prasad	10,600
	Total	24,300

(iv.) *Further Allotment of 14,300 Equity Shares:*

Sr. No.	Name of the Person	No. of Shares Allotted
1)	Sri. Alapaty Hari Hara Prasad	14,300
	Total	14,300

(v.) *Further Allotment of 11,400 Equity Shares:*

Sr. No.	Name of the Person	No. of Shares Allotted
1.	Sri. Alapaty Hari Hara Prasad	11,400
	Total	11,400

(vi.) *Further Allotment of 10,000 Equity Shares:*

Sr. No.	Name of the Person	No. of Shares Allotted
1)	Sri. V.Lakshmanan	10,000
	Total	10,000

(vii.) *Bonus Issue of 36,90,000 Equity Shares:*

Sr. No.	Name of the Person	No. of Shares Allotted
1)	Sri. Alapaty Hari Hara Prasad	2,776,140
2)	Smt. Alapaty Aruna	4,63,500
3)	Sri. Alapati Siva Sankara Prasad	4,50,000
4)	Sri. Alapati Kranthi Teja	90
5)	Smt. D. Sunitha	90
6)	Sri K. Srinivasa Rao	90
7)	Sri. K.Tirupathi	90
	Total	36,90,000

- 2) We have not issued any Equity Shares out of revaluation reserves or in terms of any scheme approved under Sections 391- 394 of the Companies Act, 1956 and or Sections 230-232 of the Companies Act, 2013.
- 3) We have not issued any equity shares in last one year at price below the Issue Price immediately from the date of filing of this Draft Prospectus except Bonus Shares.

4) Capital built-up of our Promoters:

Sri. Alapaty Hari Hara Prasad							
Date of Allotment	Consideration	Nature of the issue	No. of equity shares	Face Value	Issue/ acquisition Price	% of Pre-Issue Paid up Equity capital	% of Post Issue Paid up Equity capital
Inception	Cash	Subscriber to Memorandum	100	10	10	Negligible	Negligible
March 29,1997	Cash	Allotment	9900	10	10	0.24%	0.15%
March 28,1998	Cash	Further Allotment	10600	10	10	0.26%	0.17%
April 02,1998	Cash	Further Allotment	14300	10	10	0.35%	0.22%
July 01,1998	Cash	Further Allotment	11400	10	10	0.28%	0.18%
September 25,2000	Cash	Transfer	2000	10	10	0.05%	0.03%
September 25,2000	Cash	Transfer	7200	10	10	0.18%	0.11%
January 01,2004	Cash	Transfer	100,000	10	10	2.44%	1.56%
February 20,2004	Cash	Transfer	50,000	10	10	1.22%	0.78%
June,28,2007	Cash	Transfer	100,000	10	10	2.44%	1.56%
September 01,2016	Cash	Transfer	3,000	10	10	0.07%	0.05%
November 14,2017	Cash	Transfer	(40)	10	10	Negligible	Negligible
December 30,2017	Nil	Bonus Issue	2,776,140	10	10	67.71%	43.32%
		Total	30,84,600			75.23%	48.14%

Smt. Alapaty Aruna							
Date of Allotment	Consideration	Nature of the issue	No. of equity shares	Face Value	Issue/ acquisition Price	% of Pre-Issue Paid up Equity capital	% of Post Issue Paid up Equity capital
Inception	Cash	Subscriber to Memorandum	100	10	10	Negligible	Negligible
March 29,1997	Cash	Allotment	49,900	10	10	1.22%	0.78%
March 28,1998	Cash	Further Allotment	1,500	10	10	0.04%	0.02%
December 30,2017	Nil	Bonus Issue	4,63,500	10	10	11.30%	7.23%
		Total	5,15,000			12.56%	8.04%

Sri. Alapati Siva Sankara Prasad							
Date of Allotment	Consideration	Nature of the issue	No. of equity shares	Face Value	Issue/ Acquisition/Sale Price	% of Pre- Issue Paid up Equity capital	% of Post Issue Paid up Equity capital
March 29,1997	Cash	Allotment	50,000	10	10	1.22%	0.78%
December 30,2017	Nil	Bonus Issue	4,50000	10	10	10.98%	7.02%
		Total	500,000			12.20%	7.80%

Sri. Alapati Kranthi Teja							
Date of Allotment	Consideration	Nature of the issue	No. of equity shares	Face Value	Issue/ Acquisition/Sale Price	% of Pre- Issue Paid up Equity capital	% of Post Issue Paid up Equity capital
November 14,2017	Nil	Transfer	10	10	10	Negligible	Negligible
December 30,2017	Nil	Bonus Issue	90	10	10	Negligible	Negligible
		Total	100			Negligible	Negligible

5) Details of Promoter's Contribution locked in for three years:

Pursuant to Regulation 32 and 36 of SEBI (ICDR) Regulations an aggregate of 20% of the post-issue capital, held by our Promoters shall be considered as Promoter's Contribution ("Promoter's Contribution") and locked-in for a period of three years from the date of allotment. The lock-in of the Promoter's 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 Promoter(s) Sri. Alapaty Hari Hara Prasad, have granted their consent to include such number of Equity Shares held by them as may constitute 20.04% of the post-issue Equity Share Capital of our Company as Promoter's Contribution and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoter's Contribution from the date of filing of this Draft prospectus until the completion of the lock-in period specified above. The details of such equity shares are as under:

Sri. Alapaty Hari Hara Prasad							
Date of Allotment	Consideration	Nature of the issue	No. of equity shares	Face Value	Issue/ acquisition Price	% of Pre- Issue Paid up Equity capital	% of Post Issue Paid up Equity capital
December 30,2017	Cash	Bonus Issue	12,84,000	10	Nil	31.32%	20.04%
		Total (A)	12,84,000			31.32%	20.04%

We further confirm that the aforesaid minimum Promoter's Contribution of 20.04% 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 Initial Public Offer. However, company has allotted bonus shares.
- The Equity Shares held by the Promoters and offered for minimum Promoter's 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 Promoter's Contribution subject to lock-in.

The Promoter's Contribution may 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 Promoter's 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 and pledge of specified securities is one of the terms of the sanction of loan.

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

6) Details of share capital locked in for one year:

In addition to minimum 20.04% of the Post-Issue shareholding of our Company held by the Promoters (locked in for three years as specified above), in accordance with regulation 36 of SEBI (ICDR) Regulations, the entire pre-issue share capital of our Company 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, 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 Regulations.

Our Promoters have confirmed to the Company and the Lead Manager that the Equity Shares held by our Promoters have been financed from their personal funds or their internal accruals, as the case may be, and no loans or financial assistance from any bank or financial institution has been availed by them for this purpose.

There are no financing arrangements whereby the Promoter Group, the Directors of our Company and their relatives have financed the purchase by any other person of securities of the issuer other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of filing offer document with the Stock Exchange.

7) Shareholding pattern of our company:

A. The table below represents the current Shareholding pattern of our Company as per Regulation 31 of the SEBI (LODR) Regulations, 2015:

Cate gory (I)	Category of sharehold er (II)	Nos. of Share holder s (III)	No. of fully paid up equity shares held (IV)	No. of Par tly Pai d- up equ ity sha res hel d (V)	No. of shares under lying Deposi tory Receip ts (VI)	Total nos. Shares held (VII) =(IV) +(V) +(VI)	Shareholdin g as a % of total No of Shares (calculate as per SCRR, 1957) As a % of (A+B+C2) (VIII)	Shareholding as a % of total no. of shares (calculated as per SCRR,1957) As a % of (A+B+C) (IX)				No. of Shares Under lying Outsta nding conver tible securi ties (inclu ding Warra nts) (X)	Sharehold ing as a % assuming full conversion of convertible securities (as a % of diluted share capital) As a % of (A+B+C2) (XI) = (VII) + (X)	Number of Locked inShares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Numb er of equity shares held in demat erializ ed form (XIV)
								No of Voting Rights			Total (XIV) as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No.(a)	As a % oftotal Shares Held (b)	
								Class: Equity	Class : pre fere nce	Total								
(A)	Promote r	4	4099700	-	-	4099700	99.99%	4099700	-	4099700	99.99%	-	99.99%	-	-	-	-	-
(B)	Promote r Group			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)	Public	3	300	-	-	300	0.01%	300	-	300	0.01%	-	0.09%	-	-	-	-	-
(D)	Non- Promote r/ Non- Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(D1)	Shares underlyi ng DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(D2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	7	41.00.000	Nil	Nil	41.00.000	100.00%	41.00.000	-	41.00.000	100.00%	-	100.00%	-	-	-	-	-

Notes:

- The term 'Encumbrance' has the same meaning as assigned under regulation 28(3) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
- Our Company will file the shareholding pattern of our Company in the form prescribed under Regulation 31 of SEBI (LODR) Regulations, one day prior to the listing of the Equity Shares. The shareholding pattern will be uploaded on the website of NSE before commencement of trading of our Equity Shares.
- There are no Equity Shares against which depository receipts have been issued.
- Other than the Equity Shares, there is no other class of securities issued by our Company.

B. Shareholding Pattern of Promoters and Promoter Group:

Sr. No.	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 %	As a % of grand total (a)+(b)+(c) of Sub-clause (i)(a)
	Promoters:							
1)	Sri. Alapaty Hari Hara Prasad	30,84,600	75.23%	30,84,600	48.15%	Nil	Nil	NA
2)	Smt. Alapaty Aruna	5,15,000	12.56%	5,15,000	8.04%	Nil	Nil	NA
3)	Sri Alapati Siva Sankara Prasad	5,00,000	12.19%	5,00,000	7.81%	Nil	Nil	NA
4)	Sri. Alapati Kranthi Teja	100	Negligible	100	Negligible	Nil	Nil	NA
	Total	40,99,700	100.00%	40,99,700	64.00%	Nil	Nil	NA

C. Shareholding Pattern of the persons belonging to the category “Public”:

Three are public Shareholders in our company as on date of this Draft Prospectus and they are holding 100 Equity shares each.

D. There has been neither subscription nor sale/purchase of the securities of our Company within 3 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.

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

Sr. No.	Name of the Promoters	No of Shares held	Average cost of Acquisition (in ₹)
1.	Smt. Alapaty Aruna	5,15,000	1.00
2.	Sri. Alapaty Hari Hara Prasad	30,84,600	1.00
3.	Sri. Alapati Siva Sankara Prasad	5,00,000	1.00
4.	Sri. Alapati Kranthi Teja	100	1.00

9) None of our directors or Key Managerial Personnel hold equity shares in our company, other than as stated above.

10) Equity Shares held by top ten shareholders

A. Our Company has only Seven Shareholders and the number of Equity Shares held by them as on date of this Draft Prospectus are as under:

Sr. No.	Name of shareholder	No. of Shares	% age of pre-Issue capital
1)	Sri. Alapaty Hari Hara Prasad	30,84,600	75.23%
2)	Smt. Alapaty Aruna	5,15,000	12.56%
3)	Sri. Alapati Siva Sankara Prasad	5,00,000	12.19%
4)	Sri. Alapati Kranthi Teja	100	Negligible
5)	Smt. D. Sunitha	100	Negligible
6)	Sri. K. Srinivasa Rao	100	Negligible
7)	Sri. K. Tirupathi	100	Negligible

- B.** Our Company has only Seven Shareholders and the number of Equity Shares held by them as on Ten days prior to this Draft Prospectus are as under:

Sr. No.	Name of shareholder	No. of Shares	% age of pre-Issue capital
1)	Sri. Alapaty Hari Hara Prasad	30,84,600	75.23%
2)	Smt. Alapaty Aruna	5,15,000	12.56%
3)	Sri. Alapati Siva Sankara Prasad	5,00,000	12.19%
4)	Sri. Alapati Kranthi Teja	100	Negligible
5)	Smt. D. Sunitha	100	Negligible
6)	Sri. K. Srinivasa Rao	100	Negligible
7)	Sri. K. Tirupathi	100	Negligible

- C.** Our Company has only 4 Shareholders and the number of Equity Shares held by them as on Two years prior to this Draft Prospectus are as under:

Sr. No.	Name of shareholder	No. of Shares	% age of pre-Issue capital
1)	Sri Alapaty Hari Hara Prasad	3,05,500	74.51%
2)	Smt. Alapaty Aruna	51,500	12.56%
3)	Sri Alapati Siva Sankara Prasad	50,000	12.20%
4)	Smt. Uma Sundari	3,000	0.73%

- 11) 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 this Draft Prospectus.
- 12) The Equity Shares, which are subject to lock-in, shall carry the inscription "non-transferable" and the non-transferability details shall be informed to the depository. The details of lock-in shall also be provided to the Stock Exchange before the listing of the Equity Shares.
- 13) As on the date of this Draft Prospectus, none of the shares held by our Promoters/ Promoter Group are pledged with any financial institutions or banks or any third party as security for repayment of loans.
- 14) We have not raised any bridge loans against the proceeds of the Issue.
- 15) Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed in heading on "Issue Procedure - Basis of Allotment" beginning on page no 177 of this Draft Prospectus.
- 16) The Equity Shares Issued pursuant to this Issue shall be fully paid-up at the time of Allotment, failing which no allotment shall be made.
- 17) Our Company has not issued any Equity Shares at a price less than the Issue Price in the last one year preceding the date of filing of this Draft Prospectus except Issue of Bonus Shares.
- 18) In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 43 (4) of SEBI (ICDR) Regulations, as amended from time to time.
- 19) Under subscription, if any, in any category, shall be met with spill-over from any other category or combination of categories at the discretion of our Company, in consultation with the Lead Manager and the designated stock exchange.
- 20) 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 lot. 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.

- 21) The Issue is being made through Fixed Price Method.
- 22) As on date of filing of this Draft Prospectus with Stock Exchange, the entire issued share capital of our Company is fully paid-up. The Equity Shares offered through this Public Issue will be fully paid up.
- 23) On the date of filing of this Draft Prospectus with Stock Exchange, 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.
- 24) Our Company has not issued any Equity Shares out of revaluation reserves and not issued any bonus shares out of capitalization of revaluation reserves.
- 25) Lead Manager to the Issue viz. Mark Corporate Advisors Private Limited and its associates do not hold any Equity Shares of our Company.
- 26) Our Company has not revalued its assets since incorporation.
- 27) Our Company has not made any Public Issue of any kind or class of securities since its incorporation.
- 28) There will be only one denomination of the Equity Shares of our Company unless otherwise permitted by law.
- 29) Our Company shall comply with such disclosure, and accounting norms as may be specified by SEBI from time to time.
- 30) 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 with Stock Exchange until the Equity Shares to be issued pursuant to the Issue have been listed.
- 31) Except as disclosed in this 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.
- 32) 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.
- 33) 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.
- 34) 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.
- 35) Our Company has 7 (Seven) Shareholders as on the date of filing of this Draft Prospectus.

OBJECTS OF THE ISSUE

The objects of the Issue are to finance our business expansion plans and achieve the benefits of listing on the NSE EMERGE. We believe that listing will enhance our corporate image and brand name of our Company.

The objects of the Issue are as stated below:

- 1.) To meet civil and ancillary constructions expenses for expansion
- 2.) Purchase of Plant and Machinery for expansion
- 3.) General Corporate Purposes
- 4.) To meet the Issue Expenses

We believe that the listing of our Equity Shares will enhance our visibility and brand name and enable us to avail of future growth opportunities.

The main objects clause of our Memorandum of Association permits us to undertake our existing activities and the activities for which the funds are being raised by us, through the present Issue. The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution.

The net proceeds of this issue after deducting Issue Expenses are estimated to be ₹1140.02 Lakhs (“**Net Proceeds**”).

Cost of Project:

The following table summarizes the total estimated fund requirement:

(₹ in Lakhs)

Sr. No.	Particulars	Amount
1)	Civil and ancillary constructions expenses for expansion	299.69
2)	Purchase of Plant and Machinery for expansion	698.88
3)	General Corporate Purposes	265.00
4)	To meet the Issue Expenses	220.52
	Grand Total	1484.09

Means of Finance:

The above mentioned fund requirement are to be financed as shown below:

(₹ in Lakhs)

Sr. No.	Particulars	Amount
1)	Gross Proceeds from the Issue	1360.54
2)	Internal Accruals	123.55
3)	Total	1484.09

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

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

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

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

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

For further details on the risks involved in our business plans and executing our business strategies, please see the section titled 'Risk Factors' beginning on page no 14 of the Draft Prospectus.

1.) Civil and ancillary constructions expenses for Expansion:

Sr No.	Particulars	Amount (₹ in Lacs)
1.	Total Cost of Construction 21,517 Sq. Feet @ 1097.00 Per Sq Feet	236.04
2.	Cost of Compound Wall And Gate	3.50
3.	Add for Landscaping Cost @3% Const Cost	7.08
4.	Add For Bore Well, SUMP, Septic Tank, Pump @7.5% of Construction Cost	17.70
5.	Add For Permissions Fees Paid	10.37
6.	Add for Clean Room For 1000 SFT@ 2500 Per SFT	25.00
	Total	299.69

The above estimates are given by M/s Abhay & Associates, Architects & Engineers vide estimate letter dated May 21, 2018 having office at 7,1st Floor Raghava Ratna Towers, Chirag Ali Lane, Abids, Hyderabad for the civil and ancillary constructions expenses for expansion.

2.) Purchase of Plant and Machinery for Expansion

(₹ in Lacs)

Particulars of Plant and Machinery	Quantity	Amount	Name of the Suppliers	Date of Quotation
In-Mould Labelling Robot	2	11.92	Techno Robotic Machines Pvt. Ltd. Vasai, Maharashtra	May 23,2018
JWM 650 Automatic Bottle Blow Molding Machine with conveyor belt & SERVO motor along with molds	1	112.36	Zhangjiagang Jiuwei Machinery Co., Ltd, Zhangjiagang City-China	June 07,2018
JWM 500 Automatic Bottle Blow Molding Machine with conveyor Belt & Servo Motor along with molds	1	83.58	Zhangjiagang Jiuwei Machinery Co., Ltd, Zhangjiagang City-China	June 07,2018
Wad Inserting Machine (Wad Master Model 140 M)	1	6.84	Electronics Devices World Wide PVT.LTD, Umbergaon, Dist - Valsad, Gujarat	May 19,2018
NISSEI ASB Biaxial Orientation Stretch Blow Molding Machine (Model- ASB-12M Day Light and IU 10L for PET Bottle Production)along with Accessories and Molds	1	178.95	ASB International Pvt. Ltd Ambarnath, Maharashtra	June 05,2018
Blow Molding Machine ,Spare Parts and Molds(Model – TVHD-5L-2)	1	68.67	Yuhuan Tonva Plastics Machine Co.Ltd,Zhejiang,China	April 29,2018

Blow Molding Machine ,Spare Parts and Molds (Model – TVHD- 1L-2)	1	41.66	Yuhuan Tonva Plastics Machine Co.Ltd Zhejiang, China	April 29,2018
B10D-480 Blow Molding Machine	1	131.37	Suzhou Bestar Blow Molding Machinery Co., Ltd, Jiangsu,China	May 29, 2018
Freight, Insurance, Installation Charges, Clearing & Forwarding and other Miscellaneous Expenses @ 10% of Cost of Machinery		63.53		
Total		698.88	-	-

Note

1. Rate is inclusive of applicable taxes
2. *indicates imported machinery for which the exchange rate has been calculated considering (1 USD= ₹ 68.00)

The above cost estimates are based on the quotations received from the said overseas and domestic suppliers / vendors. We have considered the quotations for the budgetary estimate purpose and have not placed orders for any of the aforesaid plant and machinery. The actual expenditure incurred and actual supplier / vendor may vary from ones indicated above based on the time and cost, or tax or duty implications, involved in actual procurement. None of the suppliers /vendors are related to Our Company and our Promoters. All the above quotations are valid as on the date of this Draft Prospectus.

3.) General Corporate Purposes

Our Company proposes to deploy an amount aggregating to ₹265.00 Lakhs towards general corporate purposes, subject to such utilization not exceeding 25% of the Net Proceeds, in compliance with the SEBI Regulations. The general corporate purposes for which our Company proposes to utilize the amount includes meeting exigencies faced, and expenses incurred by our Company in the ordinary course of business. In addition to the above, our Company may utilise the amount towards other expenditure (in the ordinary course of business) considered expedient and as approved periodically by the Board. Our Company's management, in accordance with the policies of the Board, shall have flexibility in utilizing surplus amounts, if any

4.) Issue Expenses

The total expenses of the Issue are estimated to be approximately ₹220.52 Lakhs. The Issue expenses consist of underwriting fees, selling commission, fees payable to the Lead Managers, legal counsels, Bankers to the Issue including processing fee to the SCSBs for processing ASBA Bid cum Application Forms procured by the Syndicate Members and submitted to the SCSBs and Registrar to the Issue, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges. The break-up for the Issue expenses is as follows:

Activity	Estimated Expenses (₹in Lakhs)	As a % of the total estimated Issue expenses	As a % of the total Issue size
Payment to Merchant Banker including expenses towards printing, advertising, and payment to other intermediaries such as Legal Advisors, Registrars, Bankers, etc.	[•]	[•]	[•]
Regulatory Fees	[•]	[•]	[•]
Marketing and Other Expenses	[•]	[•]	[•]
Total Estimated Issue Expenses	220.52	100.00%	16.21%

The SCSBs would be entitled to a processing fee of [•] (excluding GST) per Bid cum Application Form, for processing the Bid cum Application Forms procured by the members of the Syndicate or the Registered Brokers and submitted to the SCSBs

Selling commission payable to registered broker, SCSBs, RTAs, CDPs on the portion directly procured from Retail Individual Applicants and Non Institutional Applicants, would be 0.01% on the Allotment Amount or ₹10 whichever less on the Applications wherein shares are allotted is.

Our fund requirements and deployment thereof are based on the estimates of our management. These are based on current circumstances of our business and are subject to change in light of changes in external circumstances or costs or in our financial condition, business or strategy. Our management, in response to the dynamic nature of the industry, will have the discretion to revise its business plan from time to time and consequently our funding requirement and deployment of funds may also change. This may also include rescheduling the proposed utilization of Proceeds and increasing or decreasing expenditure for a particular object vis-à-vis the utilization of Proceeds. In case of a shortfall in the Net Proceeds, our management may explore a range of options which include utilisation of our internal accruals, debt or equity financing. Our management expects that such alternate arrangements would be available to fund any such shortfall.

Proposed Schedule of Implementation:

(₹ in Lakhs)

Sr. No.	Particulars	Already incurred	FY 2018-19	FY 2019-20	Total
1)	Civil and ancillary constructions expenses for expansion	123.55	176.14	-	299.69
2)	Purchase of Plant and Machinery for expansion	-	378.44	320.44	698.88
3)	General Corporate Purposes	-	265.00	-	265.00
4)	To meet the Issue Expenses	19.40	201.12	-	220.52
	TOTAL	142.95	1020.70	320.44	1484.09

Funds Deployed and Source of Funds Deployed:

Our Statutory Auditors, M/s. Karvy & Co., Chartered Accountants vide their certificate dated May 10, 2018 have confirmed that as on date of certificate the following funds have been deployed for the proposed Objects of the Issue:

(₹ in Lakhs)

Particulars	Amount Already Incurred
Building	123.55*
Plant & Machinery	-
General Corporate Purpose	-
Issue Expenses	19.40**
TOTAL	142.95

*Met out of the Internal Accruals

** Met out of Internal Accruals but has to be adjusted against IPO Proceeds.

APPRAISAL BY APPRAISING AGENCY

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

SHORTFALL OF FUNDS

Any shortfall in meeting the Objects 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 26 of the Companies Act, 2013, our Company confirms that it shall not use the issue proceeds of the issue for any investment in the equity markets.

Variation in Objects

In accordance with Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act and shall be published in accordance with the Companies Act and the rules there under. As per the current provisions of the Companies Act, our Promoter or controlling Shareholders would be required to provide an exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

Bridge Financing Facilities

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Draft Prospectus, which are proposed to be repaid from the Net Proceeds.

Monitoring of Utilisation of Funds

Since the proceeds from the Fresh Issue does not exceed ₹10,000 Lakhs, in terms of Regulation 16 of the SEBI (ICDR) Regulations, our Company is not required to appoint a monitoring agency for the purposes of this Issue. Our Board will monitor the utilisation of the proceeds of the Issue. The Company will indicate investments, if any, of unutilized Net Proceeds in the balance sheet of our Company for the relevant Financial Years subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Pursuant to Regulation 38 of SEBI (LODR) Regulations, our Company shall on a half-yearly basis disclose to the Audit Committee of the Board of Directors the uses and applications of the Issue Proceeds. On an annual basis, our Company shall prepare a statement of funds utilised for purposes other than those stated in this Draft Prospectus and place it before the Audit Committee of the Board of Directors. Such disclosure shall be made only until such time that all the Issue Proceeds have been utilised in full. The statement shall be certified by the statutory auditor of our Company. Furthermore, in accordance with Regulation 38 of SEBI (LODR) Regulations, our Company shall furnish to the Stock Exchanges on a half-yearly basis, a statement including material deviations, if any, in the utilisation of the proceeds of the Issue from the objects of the Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results, after placing the same before the Audit Committee of the Board of Directors.

Other Confirmations

No part of the proceeds of the Issue will be paid by us to the Promoters and Promoter Group, Group Companies, the Directors, associates or Key Management Personnel. No part of the proceeds of the Issue will be paid by us as consideration to our Promoter, 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 THE ISSUE

The Equity Shares, now being issued, are subject to the terms and conditions of this Draft 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 maybe executed in respect of the Equity Shares. This Issue has been authorized by the Board of Directors pursuant to a Board Resolution dated April 02,2018 and by the Shareholders of our Company pursuant to a special resolution dated April 09,2018 passed at the EGM of Shareholders under Section 62 (1)(c) of the Companies Act, 2013.

Face Value	:	Equity Share shall have the face value of ₹10.00 each
Issue Price	:	Equity Share is being issued at a price of ₹59 each and is at 5.90 times of Face Value
Market Lot & Trading Lot	:	The Market lot and Trading lot for the Equity Share is 2000 and the multiple of 2000, subject to a minimum allotment of 2000 Equity Shares to the successful applicants.
Terms of Payment	:	100% of the issue price of ₹59 each shall be payable on Application. For more details please refer “ <i>Issue Procedure</i> ” on page no 177 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. The Allottees in receipt of Allotment of Equity Shares under this Issue will be entitled to dividends and other corporate benefits, if any, declared by the Company after the date of Allotment. For further details, please see “ <i>Main Provisions of Articles of Association</i> ” on page no. 219 of this Draft Prospectus

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 devolvment 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 prescribed time after the Issuer becomes liable to pay the amount, the Issuer shall pay interest prescribed under section 40 of the Companies Act, 2013.

For further details, please refer to section titled “*Terms of the Issue*” beginning on page no 169 of this Draft Prospectus.

BASIS FOR ISSUE PRICE

The Issue Price of ₹ 59 per Equity Share has been determined by our Company, in consultation with the Lead Manager on the basis of the following qualitative and quantitative factors as described below. The face value of the Equity Share is ₹10 and Issue Price is ₹59 per Equity Share i.e. 5.9 times of the face value.

Qualitative Factors

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

- 1) Track Record of the Company
- 2) Leveraging the experience of our Promoter
- 3) Experienced management team and a motivated and efficient work force
- 4) Scalable Business Model

For further details, refer sections entitled “Risk Factors”, “Our Business”, and “Financial Statements” on page no. 14, 79 and 120 respectively, to make an informed investment decision.

Quantitative Factors

The information presented below relating to the Company is based on the Restated Financial Statements of the Company for Financial Year 2016-17, 2015-16 & 2014-15 prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI Regulations. Some of the quantitative factors, which form the basis for computing the price, are as follows:

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

Year Ended	EPS (₹)*	EPS (adjusted for Bonus Shares)**	Weight
March 31, 2015	39.77	4.01	1
March 31, 2016	25.32	2.53	2
March 31, 2017	28.94	2.67	3
Weighted Average	29.54	2.85	6
For period ended Dec 31, 2017	4.13		

** After giving effect of Bonus Shares issued in the ratio of 1(Equity Share):9(Nine Bonus Equity Shares) on December 30, 2017

Note:

- (i) For Nine months period ended December 31, 2017 the Basic & Diluted EPS (not annualized) was 4.13.
- (ii) Basic EPS 29.53 has been calculated by dividing the Net Profit as restated by Restated Weighted Average number of Equity Shares outstanding during the year.
- (iii) No Diluted EPS has been calculated by dividing the Net Profit as restated by Restated Weighted Average number of Equity Shares outstanding at the end of the year.
- (iv) The face value of each Equity Share is ₹10.

2) Price to Earnings (P/E) ratio in relation to Issue Price of ₹59 per Equity Share of face value of ₹10 each:

Particulars	P/E Ratio
Based on Weighted Average EPS (FY 2014-15 to FY 2016-17), as restated	2.00
Based on Weighted Average EPS (After Bonus Shares) (FY 2014-15 to FY 2016-17), as restated	20.70
Industry P/E*	
Highest	54.70
Lowest	6.30
Industry Average	23.0

* Source: Capital Market (Magazine), Issue: Apr 23- May 06, 2018 Volume:XXXIII/05; Segment Packaging:

3) Return on Net worth (RoNW) for the preceding three years as per restated financial statements:

Year Ended	RoNW (%)	Weight
March 31, 2015	33.83%	1
March 31, 2016	17.58%	2
March 31, 2017	15.68%	3
Weighted Average	19.34%	6

Note:

(i) For Nine months period ended December 31, 2017 the RoNW (not annualized) was 15.68%.

(ii) The RoNW has been computed by dividing net profit after tax as restated, by Net Worth as at the end of the year excluding miscellaneous expenditure to the extent not written off.

4) Minimum Return on Total Net Worth after Issue needed to maintain Pre-Issue EPS for the year ended March 31, 2017 is [•]%

5) Net Asset Value (NAV):

Particulars	Amount (₹)
Net Asset Value per Equity Share as of March 31, 2017	170.54
Net Asset Value per Equity Share after giving effect of Bonus issue of Shares	21.20
Net Asset Value per Equity Share after the Issue	34.80
Issue Price per equity share	59.00

Note:

(i) The Face Value of the Equity Shares ₹10.

(ii) NAV per Equity Share has been calculated as Net Worth as divided by number of Equity Shares.

6) Comparison with other listed companies/Industry peers:

Companies	Face Value (₹)	NAV (₹)	RoNW (%)	EPS (₹) (as on March 31, 2017)	P/E Ratio
Tejaswi Packaging Limited	10	21.20	15.68%	28.94	20.70
<i>Peer Group:</i>					
Mold-Tek Packaging Limited	10	51.99	18.74%	9.75	114.98

(Source: Audited Financial Results for the year ending March 31, 2017 as available on www.nseindia.com and for calculating P/E ratio and Market Price as closed 321.95 on BSE Ltd. dated May 21, 2018 is considered)

Note:

(i) The figures of Our Company are based on the restated results for the Nine Months period ended on December 31, 2017.

(ii) The figures for the Peer group are based on Standalone Audited Results for the Nine Months period ended on December 31, 2017.

7) The Company in consultation with the Lead Manager believes that the issue price of ₹59 per Equity Share for the Public Issue is justified in view of the above parameters. The investors may also want to peruse the “Risk Factors” beginning on page no. 14 of this Draft Prospectus and Financials of the company as set out in the “Financial Statements” beginning on page no 120 of this Draft Prospectus to have more informed view about the investment proposition. The Face Value of the Equity Shares is ₹10 per Equity Share and the Issue Price is 5.9 times of the face value i.e. ₹ 59.00 per Equity Share.

STATEMENT OF TAX BENEFITS

Statement of possible tax benefits available to the company and its shareholders

To
The Board of Directors
Tejaswi Packaging Limited
Plot No. 6A, Phase I, IDA, Cherlapally,
Ranga Reddy Dist., Telangana - 500051

Dear Sir,

Subject: Statement of possible tax benefits ('the statement') available to Tejaswi Packaging Limited ('the Company') and its shareholders prepared in accordance with the requirements under Schedule VIII – Clause (VII) (L) of the SEBI (ICDR) Regulations, 2009 as amended ('the Regulations').

Ref.: Initial Public Offer of Equity Shares by Tejaswi Packaging Limited

We hereby report that the enclosed annexure prepared by company, states the possible special tax benefits available to the company and the shareholders of the Company under the Income Tax Act, 1961 ('Act'), presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the special tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the company may or may not choose to fulfill. The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and shareholders do not cover any general tax benefits available to the Company. Further, the preparation of enclosed statement and the contents stated therein is the responsibility of the Company's management. We are informed that, this Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of equity shares ("the Offer") by the Company.

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

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

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. Our views are based on facts and assumptions indicated to us and the existing provisions of tax law and its interpretations, which are subject to change or modification from time to time by subsequent legislative, regulatory, administrative, or judicial decisions. Any such changes, which could also be retrospective, could have an effect on the validity of our views stated herein.

We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein.

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

For KARVY & CO.

Chartered Accountants
ICAI Firm Registration No: 001757S
(AJAYKUMAR KOSARAJU)
Partner
Membership No. 021989

Place: Hyderabad
Date: May 10, 2018

ANNEXURE TO THE STATEMENT OF TAX BENEFITS

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

A. SPECIAL TAX BENEFITS TO THE COMPANY

1) Section 32AD of the Act – Investment in new plant or machinery in notified backward areas in certain States:

In accordance and subject to the compliance with the conditions specified under section 32AD of the Act, the company would be eligible to a deduction equal to fifteen per cent of the actual cost of the eligible new asset.

As per the section, where an assessee, sets up an undertaking or enterprise for manufacture or production of any article or thing, on or after the 1st day of April, 2015 in any backward area notified by the Central Government in this behalf, in the State of Andhra Pradesh or in the State of Bihar or in the State of Telangana or in the State of West Bengal, and acquires and installs any new asset for the purposes of the said undertaking or enterprise during the period beginning on the 1st day of April, 2015 and ending before the 1st day of April, 2020 in the said backward area, then, there shall be allowed a deduction of a sum equal to fifteen per cent of the actual cost of such new asset for the assessment year relevant to the previous year in which such new asset is installed.

Central Government has notified Ranga Reddy District as one of the backward areas in the state of Telangana, and as the new manufacturing unit of the company is in this specified district, the company is eligible to claim the deduction under the above mentioned section.

If any new asset acquired and installed by the assessee is sold or otherwise transferred, except in connection with the amalgamation or demerger or re-organisation of business within a period of five years from the date of its installation, the amount of deduction allowed in respect of such new asset shall be deemed to be the income of the assessee chargeable under the head "Profits and gains of business or profession" of the previous year in which such new asset is sold or otherwise transferred, in addition to taxability of gains, arising on account of transfer of such new asset.

In order to encourage acquisition and installation of plant and machinery for setting up of manufacturing units in the notified backward areas, proviso to section 32(1)(ia) allows higher additional depreciation at the rate of 35% (instead of 20%) in respect of the actual cost of new machinery or plant acquired and installed during the period between 1st April, 2015 and 31st March, 2020 by a manufacturing undertaking or enterprise which is setup in the notified backward a reason or after 1st April, 2015.

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER

The Shareholders of the Company are not entitled to any special tax benefits under the Act

Notes:

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

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

SECTION IV - ABOUT OUR COMPANY

OUR INDUSTRY

The information contained in this section is derived from publicly available sources. Neither we, nor any other person connected with the Issue has independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends.

Investors should note that this is only a summary of the industry in which we operate and does not contain all information that should be considered before investing in the Equity Shares. Before deciding to invest in the Equity Shares, prospective investors should read this entire Draft Prospectus, including the information in the sections "Risk Factors" and "Financial Information" on pages 14 and 120, respectively. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with an investment in the Equity Shares, please see the section 'Risk Factors' on page 14.

Industry Overview

The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and other industry sources. Neither we nor any other person connected with this Issue have verified this information. The data may have been reclassified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and, accordingly investment decisions should not be based on such information.

Brief of Our Industry

The packaging segment in India is an amalgamation of both organized and unorganized players ranging from very small players with limited presence to big players with large market share. Demand for this segment is anticipated to grow rapidly across all the players. Also there is an increasing focus on innovative and cost effective packaging materials. Thus, the industry players are keeping in track with the changing trends in packaging and making efforts to capture the market with higher technology orientation. Further with a viewpoint of health and environment friendliness, the growth in packaging industry has been leading to greater specialization and sophistication amongst the market players.

Plastics are the material of choice in packaging for the sectors such as FMCG, Food and Beverages, Pharmaceuticals, Agriculture etc. In India, a large chunk of products that households buy for daily use are packaged in plastics. Plastics are used heavily for packaging due to innovative visual appeal for customer attraction and convenience. Additionally, they improve the hygiene quotient and shelf-life of the products especially in food and beverages segment. Overall, the Indian packaging industry is valued at over USD 32 Billion and offers employment to more than 10 Lakh people across the country through 10,000 firms.

The industry is driven by key factors like rising population, increase in income levels and changing lifestyles. Growth prospects of end-user segments are leading to rise in the demand of the plastic packaging industry. Demand from rural sector for packaged products is being fuelled by the increasing media penetration through the means of internet and television.

Further, India is emerging as the most favored destination for organized retail destination in the world. And also the presence of E-commerce is expanding rapidly and is bringing around a revolution in the retail industry. Retailers are now leveraging digital retail channels thereby enabling wider reach out to customers with less amount of money spent on real estate.

Therefore, organized retail and boom in e-commerce offers huge potential for future growth of retailing in India which in turn is pushing the growth of packaging sector. However, there are quite a few challenges and risks. High inflation rate and rising prices, lack of skilled workforce, difficulty in procuring raw material due to weak infrastructure, growing environmental concern, effective recycling of mixed plastic waste and plastic recovery are some of the issues plaguing the industry. Going ahead recycling & reuse of plastics will be an important step towards fostering innovation and sustainability. Also increased awareness through help of industry groups and Government could help address some of these challenges.

(Source: FICCI knowledge paper – Plastic Packaging Report, Tata Strategic Management Group <http://ficci.in/spdocument/20690/Plastic-packaging-report.pdf>)

RIGID PLASTIC PACKAGING MARKET

In a new market report - The Future of Rigid Plastic Packaging to 2022 – Smithers Pira forecasts that global rigid plastic packaging consumption will be worth \$166 billion in 2017, and exceed \$200 billion at the end of its study period in 2022. Volume consumption of rigid plastics globally will reach 52.9 million tonnes in 2017, and is projected to grow over the next five years at an annual rate of 3.7% to 63.4 million tonnes.

Rigid plastic packaging market expansion will continue to profit from the drive to replace traditional materials – principally glass and metal – with lighter weight, more cost-effective and higher performance plastic materials in various markets. This transition is being accelerated by concept innovations – such as the clear plastic can. Developed by US-based Milacron, the ‘Klear Can’ technology is aimed at transforming the canned food preservation industry, saving weight and allowing a better display of premium tinned goods on supermarket shelves.

Despite these opportunities, this packaging segment is also dealing with challenges. None of these is more disruptive than the emergence of flexible packaging types, and the growing importance of sustainability.

The importance of sustainability

Sustainable packaging is an overarching megatrend with particular implications for the rigid plastic packaging industry. There is mounting public pressure on brand owners and retailers to reduce the environmental impact of their packaging. The response has been to address package via:

- Light-weighting – reducing material usage without impairing pack performance
- Increased use of recycled plastic feedstocks
- Investigating the use of bio plastic packaging.

Brand owners are employing more recycled and recyclable plastic packaging to reduce the environmental impact of packaging. Bio-Plastics are a popular choice for brand owners seek to showcase their environmental credentials more demonstrably. In practice the different approaches can be combined.

For example, Unilever announced in January 2017 that it has committed to ensuring that all of its plastic packaging is fully reusable, recyclable or compostable by 2025. The companies had already committed to reducing the weight of its packaging this decade by one-third by 2020, and increase its use of recycled plastic content in its packaging to at least 25% by 2025.

Companies across many end-use segments are increasingly recognising that sustainability in packaging is a core value, rather than a one-off sales and marketing opportunity, while retailers are now offering biodegradable packaging for a wide range of produce, including fresh foods, organic and private label brands.

Emerging technology

Technology is playing an important role in rigid plastic packaging market development as it competes with rival packaging types. Several of these directly affect the environmental impact of the pack or product inside

- Bio-based plastics, including 100% bio-based PET bottles, are expected to enter commercial production and establish significant market share over the next five years
- Producers have developed considerably lighter plastic packaging in recent years and opportunities remain for further light weighting of plastic packaging
- Improved barrier solutions enable further penetration of rigid plastic packaging into applications such as fruit juices, milk, wine and hot-fill food jars, reducing emissions during transport.

From a marketing perspective, the further penetration of digital (inkjet and toner) printing systems for beverage bottles and new concepts like no-look and interactive labels are pushing innovation in key segments, such as PET carbonated soft drink bottles.

Market Statistics

From a regional perspective, emerging economies are expected to grow rigid plastic packaging demand at the highest rates across 2017-2022.

Asia is already the largest consumer of rigid plastic packaging, accounting for a projected 31.4% consumption share by volume in 2017. North America is the second largest consumer with 22.7%, followed by Western Europe with 20.0%. Asia is forecast to continue growing at a faster rate than any other world region with an annual average growth rate of 5.8% for the next 5 years.

Food is the largest end-use market for rigid plastic packaging, accounting for a projected 37.0% consumption share in 2017. The healthcare sector is forecast to grow at the highest rate, followed by other food markets, drinks and cosmetics.

Lifestyle and Demographic Influences

Demographic trends, translating into new demands and expectations of packaging are a key driving the selection of packaging formats. A high rate of population growth is more likely to be associated with growing packaged product consumption. The age structure of the population also plays an important role – for example ageing populations in advanced economies and better medical provision in developing countries will fuel increased demand for healthcare products.

Lifestyle factors such as the rise of single-portion meals and on-the-go consumption can also favour lighter plastic formats, especially for small convenience pack sizes

GLOBAL ECONOMIC OUTLOOK

Global growth is projected to slow to 3.1 percent in 2016 before recovering to 3.4 percent in 2017. The forecast, revised down by 0.1 percentage point for 2016 and 2017 relative to April, reflects a more subdued outlook for advanced economies following the June U.K. vote in favor of leaving the European Union (Brexit) and weaker-than-expected growth in the United States. These developments have put further downward pressure on global interest rates, as monetary policy is now expected to remain accommodative for longer. Although the market reaction to the Brexit shock was reassuringly orderly, the ultimate impact remains very unclear, as the fate of institutional and trade arrangements between the United Kingdom and the European Union is uncertain. Financial market sentiment toward emerging market economies has improved with expectations of lower interest rates in advanced economies, reduced concern about China's near-term prospects following policy support to growth, and some firming of commodity prices. But prospects differ sharply across countries and regions, with emerging Asia in general and India in particular showing robust growth and sub-Saharan Africa experiencing a sharp slowdown. In advanced economies, a subdued outlook subject to sizable uncertainty and downside risks may fuel further political discontent, with anti-integration policy platforms gaining more traction. Several emerging market and developing economies still face daunting policy challenges in adjusting to weaker commodity prices. These worrisome prospects make the need for a broad-based policy response to raise growth and manage vulnerabilities more urgent than ever.

Recent Developments and Prospects

The forces shaping the global outlook—both those operating over the short term and those operating over the long term—point to subdued growth for 2016 and a gradual recovery thereafter, as well as to downside risks. These forces include new shocks, such as Brexit—the June 23, 2016, U.K. referendum result in favor of leaving the European Union; ongoing realignments, such as rebalancing in China and the adjustment of commodity exporters to a protracted decline in the terms of trade; and slow-moving trends, such as demographics and the evolution of productivity growth; as well as noneconomic factors, such as geopolitical and political uncertainty.

The subdued recovery also plays a role in explaining the weakness in global trade and persistently low inflation relative to the global outlook envisaged in the April 2016 World Economic Outlook (WEO), the main changes relate to the downward revision to U.S. growth (mostly reflecting weaker-than-expected growth in the second quarter of 2016), further confirmation that the economies of Brazil and Russia are closer to exiting from recession, and the outcome of the U.K. referendum.

Brexit is an unfolding event—the long-term arrangements in relations between the United Kingdom and the European Union will be uncertain for a protracted period of time. And the vote is not only a symptom of fraying consensus on the benefits of cross-border economic integration amid weak growth, but could catalyze pressures for inward-looking policies elsewhere as well.

On the positive side, beyond a sharp depreciation of the pound, broader market reaction to the Brexit vote has generally been contained, with equity valuations and risk appetite recovering after an initial drop. Bank stocks, however, remain under pressure, especially in countries with more fragile banking systems. Based on preliminary readings, business and consumer sentiment were generally resilient in July, immediately following the referendum, except in the United

Kingdom. Sentiment has improved regarding emerging market and developing economies, reflecting reduced concerns about China's near term prospects following policy support for growth, mildly favorable macroeconomic news from other emerging market economies in the past few months, some recovery in commodity prices, and expectations of lower interest rates in advanced economies. But with very limited post-Brexit macroeconomic data so far, uncertainty about the impact of Brexit on macroeconomic outcomes remains, especially in Europe. Growth is projected to pick up from 2017 onward, almost entirely on account of developments in emerging market and developing economies. This reflects primarily two factors: the gradual normalization of macroeconomic conditions in several countries experiencing deep recessions and the increasing weight of fast-growing countries in this group in the world economy.

The current outlook is shaped by a complex confluence of ongoing realignments, long-term trends, and new shocks. These factors imply a generally subdued baseline for growth, but also substantial uncertainty about future economic prospects. The main unforeseen development in recent months was the U.K. vote in favor of leaving the European Union. Brexit is very much an unfolding event—the long term shape of relations between the United Kingdom and the European Union, and the extent to which their mutual trade and financial flows will be curtailed, will likely become clear only after several years. Adding to the uncertainty is the impact of the referendum results on political sentiment in other EU members, as well as on global pressure to adopt populist, inward-looking policies. Important ongoing realignments—particularly salient for emerging market and developing economies—include rebalancing in China and the macroeconomic and structural adjustment of commodity exporters to a long-term decline in their terms of trade. Slow-moving changes that are playing an important role in the outlook for advanced economies (as well as for some emerging market economies) include demographic and labor market trends, but also an ill-understood protracted slowdown in productivity, which is hampering income growth and contributing to political discontent. In the World Economic Outlook (WEO) baseline scenario, global growth is projected to decline to 3.1 percent in 2016, and to rebound next year to 3.4 percent.

The 2016 forecast reflects weaker-than-expected U.S. activity in the first half of the year as well as materialization of an important downside risk with the Brexit vote. Although financial market reaction to the result of the U.K. referendum has been contained, the increase in economic, political, and institutional uncertainty and the likely reduction in trade and financial flows between the United Kingdom and the rest of the European Union over the medium term is expected to have negative macroeconomic consequences, especially in the United Kingdom. As a result, the 2016 growth forecast for advanced economies has been marked down to 1.6 percent. Growth in emerging market and developing economies is expected to strengthen slightly in 2016 to 4.2 percent after five consecutive years of decline, accounting for over three-quarters of projected world growth this year.

However, the outlook for these economies is uneven and generally weaker than in the past. While external financing conditions have eased with expectations of lower interest rates in advanced economies, other factors are weighing on activity. These include a slowdown in China, whose spillovers are magnified by its lower reliance on import- and resource-intensive investment; commodity exporters' continued adjustment to lower revenues; spillovers from persistently weak demand in advanced economies; and domestic strife, political discord, and geopolitical tensions in several countries. While growth in emerging Asia and especially India continues to be resilient, the largest economies in sub-Saharan Africa (Nigeria, South Africa, Angola) are experiencing sharp slowdowns or recessions as lower commodity prices interact with difficult domestic political and economic conditions. Brazil and Russia continue to face challenging macroeconomic conditions, but their outlook has strengthened somewhat relative to last April. The recovery is projected to pick up in 2017 as the outlook improves for emerging market and developing economies and the U.S. economy regains some momentum, with a fading drag from inventories and a recovery in investment. Although longer-term prospects for advanced economies remain muted, given demographic headwinds and weak productivity growth, the forecast envisages a further strengthening of growth in emerging market and developing economies over the medium term. But as noted in previous WEOs, this forecast depends on a number of important assumptions:

1. A gradual normalization of conditions in economies currently under stress, with a general pickup in growth in commodity exporters, albeit to levels more modest than in the past.
2. A gradual slowdown and rebalancing of China's economy with medium-term growth rates that—at close to 6 percent—remain higher than the average for emerging market and developing economies.
3. Resilient growth in other emerging market and developing economies.

Both economic and noneconomic factors threaten to keep these assumptions from being realized and imperil the baseline outlook more generally. In particular, some risks flagged in recent WEOs have become more prominent in recent months. The first is political discord and inward-looking policies. The Brexit vote and the ongoing U.S. presidential election

campaign have highlighted a fraying consensus about the benefits of cross-border economic integration. Concerns about the impact of foreign competition on jobs and wages in a context of weak growth have enhanced the appeal of protectionist policy approaches, with potential ramifications for global trade flows and integration more broadly. Concerns about unequal (and widening) income distribution are rising, fueled by weak income growth as productivity dynamics remain disappointing. Uncertainty about the evolution of these trends may lead firms to defer investment and hiring decisions, thus slowing near-term activity, while an inward looking policy shift could also stoke further cross border political discord.

A second risk is stagnation in advanced economies. As global growth remains sluggish, the prospect of an extended shortfall in private demand leading to permanently lower growth and low inflation becomes ever more tangible, particularly in some advanced economies where balance sheets remain impaired. At the same time, a protracted period of weak inflation in advanced economies risks unmooring inflation expectations, causing expected real interest rates to rise and spending to decline, eventually feeding back to even weaker overall growth and inflation.

Other risks flagged in previous WEOs remain important potential influences on the outlook. China's ongoing adjustment and associated spillovers continue to be pertinent, even as near-term sentiment regarding China has appeared to recover from the acute anxiety at the start of the year. The economy's transition away from reliance on investment, industry, and exports in favor of greater dependence on consumption and services could become bumpier than expected at times, with important implications for commodity and machinery exporters as well as for countries indirectly exposed to China through financial contagion channels. That risk is heightened by the current short-term growth-promoting measures on which China is relying, as a still-rising credit-to-GDP ratio and lack of decisive progress in addressing corporate debt and governance concerns in state-owned enterprises raise the risk of a disruptive adjustment.

More generally, although financial conditions in emerging markets have continued to improve in recent months, underlying vulnerabilities remain among some large emerging market economies. High corporate debt, declining profitability, weak bank balance sheets—together with the need to rebuild policy buffers, particularly in commodity exporters—leave these economies still exposed to sudden shifts in investor confidence. A range of additional non-economic factors continues to influence the outlook in various regions—the protracted effects of a drought in eastern and southern Africa; civil war and domestic conflict in parts of the Middle East and Africa and the tragic plight of refugees in neighboring countries and in Europe; multiple acts of terror worldwide; and the spread of the Zika virus in Latin America and the Caribbean, the southern United States, and southeast Asia.

If these factors intensify, they could collectively take a large toll on market sentiment, hurting demand and activity. Upside developments include the orderly re-pricing in financial markets after the initial shock of the Brexit vote; sustained improvements in the U.S. labor market; and a modest recent uptick in commodity prices, which should ease some of the pressure on commodity exporters. These developments point to the possibility of a better-than-envisaged pickup in momentum, which could be even stronger if countries adopt comprehensive frameworks to lift actual and potential output. While the baseline forecast for the global economy points to a pickup in growth over the rest of the forecast horizon from its subdued pace this year, the potential for setbacks to this outlook is high, as underscored by repeated growth markdowns in recent years. Against this backdrop, policy priorities differ across individual economies depending on the specific objectives of improving growth momentum, combating deflation pressures, or building resilience. But a common theme is that urgent action relying on all policy levers is needed to head off further growth disappointments and combat damaging perceptions that policies are ineffective in boosting growth or that the rewards accrue only to those at the higher end of the income distribution.

In advanced economies, output gaps are still negative, wage pressures are generally muted, and the risk of persistent low inflation (or deflation, in some cases) has risen. Monetary policy therefore must remain accommodative, relying on unconventional strategies as needed. But accommodative monetary policy alone cannot lift demand sufficiently, and fiscal support—calibrated to the amount of space available and oriented toward policies that protect the vulnerable and lift medium-term growth prospects—therefore remains essential for generating momentum and avoiding a lasting downshift in medium-term inflation expectations. In countries facing rising public debt and social entitlement outlays, credible commitments to medium-term consolidation can generate additional space for near-term support. And fiscal policy should concentrate outlays on uses that most strongly support demand and longer-term potential growth. More broadly, accommodative macroeconomic policies must be accompanied by structural reforms that can counteract waning potential growth—including efforts to boost labor force participation, improve the matching process in labor markets, and promote investment in research and development and innovation.

Across emerging market and developing economies, the broad common policy objectives are continued convergence to higher incomes by reducing distortions in product, labor, and capital markets and giving people a better chance in life by investing wisely in education and health care. These goals can only be realized in an environment safe from financial vulnerability and the risk of reversals. Economies with large and rising nonfinancial debt, unhedged foreign liabilities, or heavy reliance on short-term borrowing to fund longer-term investments must adopt stronger risk management practices and contain currency and balance sheet mismatches.

For countries hardest hit by the slump in commodity prices, adjustment to reestablish macroeconomic stability is urgent. This implies fully allowing the exchange rate to absorb pressures for countries not relying on an exchange rate peg, tightening monetary policy where needed to tackle sharp increases in inflation, and ensuring that needed fiscal consolidation is as growth friendly as possible. Low-income developing economies must rebuild fiscal buffers while continuing to spend on critical capital needs and social outlays, strengthen debt management, and implement structural reforms—including in education—that pave the way for economic diversification and higher productivity.

While essential at the country level, these policies for all country groups would be even more effective if adopted broadly throughout the world, with due attention to country-specific priorities. With growth weak and policy space limited in many countries, continued multilateral effort is required in several areas to minimize risks to financial stability and sustain global improvements in living standards. This effort must proceed simultaneously on a number of fronts. Policymakers must address the backlash against global trade by refocusing the discussion on the long term benefits of economic integration and ensuring that well-targeted social initiatives help those who are adversely affected and facilitate, through retraining, their absorption into expanding sectors. Effective banking resolution frameworks, both national and international, are vital, and emerging risks from nonbank intermediaries must be addressed. A stronger global safety net is more important than ever to protect economies with robust fundamentals that may nevertheless be vulnerable to cross-border contagion and spillovers, including strains that are not economic.

(Source: <http://indiabudget.nic.in/es2016-17/echap01.pdf>)

Global Growth Forecast to pick up in 2017 and 2018

Global growth for 2016 is now estimated at 3.2 percent, slightly stronger than the April 2017 forecast, primarily reflecting much higher growth in Iran and stronger activity in India following national accounts revisions. Economic activity in both advanced economies and emerging and developing economies is forecast to accelerate in 2017, to 2 percent and 4.6 percent respectively, with global growth projected to be 3.5 percent, unchanged from the April forecast. The growth forecast for 2018 is 1.9 percent for advanced economies, 0.1 percentage point below the April 2017 WEO, and 4.8 percent for emerging and developing economies, the same as in the spring. The 2018 global growth forecast is unchanged at 3.6 percent. The revisions reflect primarily the macroeconomic implications of changes in policy assumptions for the world's two largest economies, the United States and China, as discussed below.

Advanced Economies

- The growth forecast in the United States has been revised down from 2.3 percent to 2.1 percent in 2017 and from 2.5 percent to 2.1 percent in 2018. While the markdown in the 2017 forecast reflects in part the weak growth outturn in the first quarter of the year, the major factor behind the growth revision, especially for 2018, is the assumption that fiscal policy will be less expansionary than previously assumed, given the uncertainty about the timing and nature of U.S. fiscal policy changes. Market expectations of fiscal stimulus have also receded.
- The growth forecast has also been revised down for the United Kingdom for 2017 on weaker-than expected activity in the first quarter.
- By contrast, growth projections for 2017 have been revised up for many euro area countries, including France, Germany, Italy, and Spain, where growth for the first quarter of 2017 was generally above expectations. This, together with positive growth revisions for the last quarter of 2016 and high-frequency indicators for the second quarter of 2017, indicate stronger momentum in domestic demand than previously anticipated.

- The growth forecast for 2017 was also revised up for Canada, where buoyant domestic demand boosted first-quarter growth to 3.7 percent and indicators suggest resilient second-quarter activity, and marginally for Japan, where private consumption, investment, and exports supported first quarter growth.

Emerging and developing economies

- Emerging and developing economies are projected to see a sustained pickup in activity, with growth rising from 4.3 percent in 2016 to 4.6 percent in 2017 and 4.8 percent in 2018. These forecasts reflect upward revisions, relative to April, of 0.2 percentage point for 2016, and 0.1 percentage points for 2017. As in the most recent WEO forecast vintages, growth is primarily driven by commodity importers, but its pickup reflects to an important extent gradually improving conditions in large commodity exporters that experienced recessions in 2015–16, in many cases caused or exacerbated by declining commodity prices.
- China's growth is expected to remain at 6.7 percent in 2017, the same level as in 2016, and to decline only modestly in 2018 to 6.4 percent. The forecast for 2017 was revised up by 0.1 percentage point, reflecting the stronger than expected outturn in the first quarter of the year underpinned by previous policy easing and supply-side reforms (including efforts to reduce excess capacity in the industrial sector). For 2018, the upward revision of 0.2 percentage point mainly reflects an expectation that the authorities will delay the needed fiscal adjustment (especially by maintaining high public investment) to meet their target of doubling 2010 real GDP by 2020. Delay comes at the cost of further large increases in debt, however, so downside risks around this baseline have also increased.
- Growth in India is forecast to pick up further in 2017 and 2018, in line with the April 2017 forecast. While activity slowed following the currency exchange initiative, growth for 2016—at 7.1 percent—was higher than anticipated due to strong government spending and data revisions that show stronger momentum in the first part of the year. With a pickup in global trade and strengthening domestic demand, growth in the ASEAN-5 economies is projected to remain robust at around 5 percent, with generally strong first quarter outturns leading to a slight upward revision for 2017 relative to the April WEO.
- In Emerging and Developing Europe, growth is projected to pick up in 2017, primarily driven by a higher growth forecast for Turkey, where exports recovered strongly in the last quarter of 2016 and the first quarter of 2017 following four quarters of moderate contraction, and external demand is projected to be stronger with improved prospects for euro area trading partners. The Russian economy is projected to recover gradually in 2017 and 2018, in line with the April forecast.
- After contracting in 2016, economic activity in Latin America is projected to recover gradually in 2017–18 as a few countries—including Argentina and Brazil—exit their recessions. In comparison to the April 2017 WEO, Brazil's growth forecast for 2017 is now higher in light of the strong first quarter, but ongoing weakness in domestic demand and an increase in political and policy uncertainty will be reflected in a more subdued pace of recovery, and hence in lower projected growth in 2018. Mexico's growth forecast for 2017 is revised up from 1.7 to 1.9 percent on the back of strong activity in the first quarter of the year, with an unchanged forecast for 2018. Revisions for the rest of the region are mostly to the downside, including a further deterioration of conditions in Venezuela.
- Growth in the Middle East, North Africa, Afghanistan, and Pakistan region is projected to slow considerably in 2017, reflecting primarily a slowdown in activity in oil exporters, before recovering in 2018. The 2017–18 forecast is broadly unchanged relative to the April 2017 WEO, but the growth outcome in 2016 is estimated to have been considerably stronger in light of higher growth in Iran. The recent decline in oil prices, if sustained, could weigh further on the outlook for the region's oil exporters.

Risks

Short-term risks are broadly balanced, but medium-term risks are still skewed to the downside. Risks to the U.S. forecast are two sided: the implementation of a fiscal stimulus (such as revenue-reducing tax reform) could drive U.S. demand and output growth above the baseline forecast, while implementation of the expenditure-based consolidation proposed in the Administration's budget would drive them lower. On the upside, the pickup in activity in the euro area, with buoyant market sentiment and reduced political risks, could be stronger and more durable than currently projected. On the downside, protracted policy uncertainty or other shocks could trigger a correction in rich market valuations, especially for equities, and an increase in volatility from current very low levels. In turn, this could dent spending and confidence more generally, especially in countries with high financial vulnerabilities. Lower commodity prices would further exacerbate macroeconomic strains and complicate adjustment needs in many commodity exporters. Other downside risks threatening the strength and durability of the recovery include:

- **A more protracted period of policy uncertainty** - Despite a decline in election-related risks, policy uncertainty remains at a high level and could well rise further, reflecting—for example—difficult-to-predict U.S. regulatory and fiscal policies, negotiations of post-Brexit arrangements, or geopolitical risks. This could harm confidence, deter private investment, and weaken growth.
- **Financial tensions** - In China, failure to continue the recent focus on addressing financial sector risks and curb excessive credit growth (mainly through tighter macro prudential policy settings) could result in an abrupt growth slowdown, with adverse spillovers to other countries through trade, commodity price, and confidence channels. A faster-than-expected monetary policy normalization in the United States could tighten global financial conditions and trigger reversals in capital flows to emerging economies, along with U.S. dollar appreciation, straining emerging economies with large leverage, U.S. dollar pegs, or balance sheet mismatches. At the same time, to the extent that such monetary policy tightening reflects a stronger U.S. outlook, U.S. trading partners would benefit from positive demand spillovers. In some euro area countries, weak bank balance sheets and an unfavorable profitability outlook could interact with higher political risks to reignite financial stability concerns, and a rise in long-term interest rates would worsen public debt dynamics. Finally, a broad rollback of the strengthening of financial regulation and oversight achieved since the crisis—both nationally and internationally—could lower capital and liquidity buffers or weaken supervisory effectiveness, with negative repercussions for global financial stability.
- **Inward-looking policies** - Over the longer term, failure to lift potential growth and make growth more inclusive could fuel protectionism and hinder market-friendly reforms. The results could include disrupted global supply chains, lower global productivity, and less affordable tradable consumer goods, which harm low-income households disproportionately.
- **Noneconomic factors** - Rising geopolitical tensions, domestic political discord, and shocks arising from weak governance and corruption can all weigh on economic activity.

These risks are interconnected and can be mutually reinforcing. For example, an inward turn in policies could be associated with increased geopolitical tensions as well as with rising global risk aversion; noneconomic shocks can weigh directly on economic activity as well as harm confidence and market sentiment; and a faster-than-anticipated tightening of global financial conditions or a shift toward protectionism in advanced economies could reignite capital outflow pressures from emerging markets.

Policies

Policy choices will therefore be crucial in shaping the outlook and reducing risks.

- **Strengthening the momentum** - With countries at present facing divergent cyclical conditions, differing stances of monetary and fiscal policy remain appropriate. In advanced economies where demand is still lacking and inflation too low, monetary and (where feasible) fiscal support should continue; elsewhere monetary policy should normalize gradually, in line with economic developments, and fiscal policy should focus on supporting reforms aimed at expanding the economy's supply potential. Countries in need of fiscal consolidation should do

so with growth friendly measures. Emerging market economies should continue to allow exchange rates to buffer shocks, wherever possible.

- **Making growth resilient and balanced** - Efforts to accelerate private sector balance sheet repair and ensure sustainability of public debt are critical foundations for a resilient recovery. So are efforts from surplus and deficit countries alike to reduce excess current account imbalances.
- **Sustaining high and inclusive growth in the long term** - This goal calls for well-sequenced and tailored structural reforms to boost productivity and investment, measures to narrow gender labor force participation gaps, and active support for those hurt by shifts in technology or trade.
- **Enhancing resilience in low-income countries** - Among low-income developing countries, commodity exporters generally need sizable adjustment to correct macroeconomic imbalances, a challenge that would be exacerbated for fuel exporters by a persistent decline in oil prices. Policy priorities for diversified low-income developing countries vary, given the diversity of country circumstances, but an overarching goal for these economies should be to enhance resilience against potential future shocks by strengthening fiscal positions and foreign reserves holdings while growth is strong.
- **Working toward shared prosperity** - A well-functioning multilateral framework for international economic relations is another key ingredient of strong, sustainable, balanced, and inclusive growth. Pursuit of zero-sum policies can only end by hurting all countries, as history shows. Because national policies inevitably interact and create spillovers across countries, the world economy works far better for all when policymakers engage in regular dialogue and work within agreed mechanisms to resolve disagreements. A rule-based and open world trading system is especially vital for global prosperity, but it must be supported by domestic policies to facilitate adjustment, not only to trade but to rapid technological change.
- **Cooperating to ensure evenhandedness** - At the same time, the international community should continue to adapt the multilateral system to the changing global economy. Active dialogue and cooperation will help to improve and modernize the rules, while addressing valid country concerns. This process will ensure continued mutual benefits and evenhandedness. Together with strong domestic policies, it will also help avoid a broad withdrawal from multilateralism, either through widespread protectionism or a competitive race to the bottom in financial and regulatory oversight, which would leave all countries worse off.

(Source: <http://www.imf.org/en/Publications/WEO/Issues/2017/07/07/world-economic-outlook-updatejuly-2017>)

INDIAN ECONOMY OUTLOOK

Introduction

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organization (CSO) and International Monetary Fund (IMF). The Government of India has forecasted that the Indian economy will grow by 7.1 per cent in FY 2016-17. As per the Economic Survey 2016-17, the Indian economy should grow between 6.75 and 7.5 per cent in FY 2017-18. The improvement in India's economic fundamentals has accelerated in the year 2015 with the combined impact of strong government reforms, Reserve Bank of India's (RBI) inflation focus supported by benign global commodity prices.

India's consumer confidence index stood at 136 in the fourth quarter of 2016, topping the global list of countries on the same parameter, as a result of strong consumer sentiment, according to market research agency, Nielsen. Moody's has affirmed the Government of India's Baa3 rating with a positive outlook stating that the reforms by the government will enable the country perform better compared to its peers over the medium term.

Market size

India's gross domestic product (GDP) grew by 7 per cent year-on-year in October-December 2016 quarter, which is the strongest among G-20 countries, as per Organisation for Economic Co-operation and Development (OECD) Economic

Survey of India, 2017. According to IMF World Economic Outlook Update (January 2017), Indian economy is expected to grow at 7.2 per cent during FY 2016-17 and further accelerate to 7.7 per cent during FY 2017-18.

The tax collection figures between April 2016 and January 2017 show an increase in Net Indirect taxes by 16.9 per cent and an increase in Net Direct Taxes by 10.79 per cent year-on-year, indicating a steady trend of healthy growth. The total number of e-filed Income Tax Returns rose 21 per cent year-on-year to 42.1 million in 2016-17 (till 28.02.17), whereas the number of e-returns processed during the same period stood at 43 million.

Corporate earnings in India are expected to grow by over 20 per cent in FY 2017-18 supported by normalisation of profits, especially in sectors like automobiles and banks, while GDP is expected to grow by 7.5 per cent during the same period, according to Bloomberg consensus.

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

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

India's foreign exchange reserves stood at US\$ 366.781 billion as on March 17, 2017 as compared to US\$ 360 billion by end of March 2016, according to data from the RBI.

Recent Developments

With the improvement in the economic scenario, there have been various investments leading to increased M&A activity. Some of them are as follows:

- M&A activity in India more than doubled year-on-year to reach US\$ 61.26 billion in 2016-17. Early-stage start-ups in India are expected to raise US\$ 800 million in 2017, due to greater focus on profitability and sustainable growth, as per a report by InnoVen Capital.
- NITI Aayog, Department of Industrial Policy & Promotion (DIPP) and Confederation of Indian Industry (CII) launched an “India Innovation Index” in line with the Global Innovation Index (GII) to rank states based on innovation by capturing innovation data from all Indian states and updating them regularly.
- The Union Cabinet, Government of India, has approved the Central Goods and Services Tax (CGST), Integrated GST (IGST), Union Territory GST (UTGST), and Compensation Bill.
- The Union Cabinet has approved a memorandum of understanding (MoU) between India and United Arab Emirates (UAE), aimed at enhancing cooperation in the field of small and medium enterprises (SMEs) between the two countries, and thereby providing an opportunity for the Indian SMEs to improve and innovate further.
- The Union Cabinet has approved a MoU between India and the African Asian Rural Development Organisation (AARDO), to implement capacity building programmes for rural development.
- The Union Cabinet has approved a MoU between India and Hungary, aimed at improving bilateral cooperation in the field of water management, which is expected to develop relations between public and private organizations concerning water resources of both the countries.
- The Government of India and the Government of the United States of America have signed a MoU to enhance cooperation on energy security, clean energy and climate change through increased bilateral engagement and further joint initiatives for promoting sustainable growth.
- The Government of India plans to auction 280 mines with an estimated mineral value of over Rs 10 lakh crore (US\$ 153.64 billion) in the fiscal year 2017-18, and also use drone technology to prepare topography maps and inspect mines.
- Indian merchandise exports registered a growth of 17.48 per cent year-on-year in February 2017 at US\$ 24.49 billion, according to the data from Ministry of Commerce & Industry.

- Retail price inflation for February 2017 was reported at 3.65 per cent, compared to 5.26 per cent a year ago, as per CSO.
- India's industry output grew 2.74 per cent year-on-year in January 2017, led by a good performance in the capital goods sector which registered a 10.7 per cent year-on-year growth.

Government Initiatives

The Government of India announced demonetization of high denomination bank notes of Rs 1000 and Rs 500, with effect on November 8, 2016, in order to eliminate black money and the growing menace of fake Indian currency notes, thereby creating opportunities for improvement in economic growth.

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

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

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

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

- Finance Minister Mr. Arun Jaitley has stated that start-ups incorporated after March 31, 2016, can avail a three-year tax holiday in the first seven years of their existence, instead of five years, and reduced the tax rate for enterprises with a turnover up to ₹ 50 crores (US\$ 7.68 million) to 25 per cent instead of the earlier 30 per cent.
- The Ministry of Corporate Affairs (MCA) has launched a Simplified Proforma for Incorporating Company Electronically (SPICE), aimed at providing speedy services for incorporation to bring ease of doing business in the country on a par with global norms.
- The Government of India has unveiled a new Urban Development strategy for the next 20 years, aimed at development of rural and urban areas, providing housing for the urban poor and ensuring gender equity in the country among other objectives.
- The Government of India has raised ₹ 30,000 crore (US\$ 4.61 billion) through disinvestment proceeds, the highest amount raised via stake sales, and further aims to meet the disinvestment target of Rs 56,500 crore (US\$ 8.68 billion) for the year, as per Mr. Neeraj Gupta, Secretary, Department of Investment and Public Asset Management (DIPAM).
- The Government of India along with its investment promotion agency, Invest India, are in discussion with around 300 Indian and foreign companies to channelize investments worth US\$ 62 billion, which will help create over 1.7 million job opportunities in India.
- The Union Cabinet, Government of India, has approved ₹ 10,000 crore (US\$ 1.53 billion) initial corpus for the Fund of Funds for Start-ups (FFS) established in June 2016.

- The Ministry of Housing and Urban Poverty Alleviation, Government of India, has approved the construction of 1,17,814 affordable houses for the urban poor and will provide an assistance of ₹ 1,816 crore (US\$ 279 million) under the Prime Minister's Awas Yojana (Urban).
- The Ministry of Women and Children Development, Government of India, plans to implement the Integrated Child Development Services (ICDS) Scheme, Scheme for Adolescent Girls (AGs) and Maternity Benefit Programme (MBP), which aim to deal with the problem of malnutrition in the country, for which the Government has released funds worth Rs 23,092 crore (US\$ 3.53 billion) to States and Union Territories.
- Mr. Arvind Panagariya, Vice Chairman, Niti Aayog, has stated that the three-year action plan of the Niti Aayog to boost industry and growth by bringing reforms especially in the areas of agriculture, education and healthcare, will likely start from FY 2017-18.
- The Government of India has certified 20 private organisations as incubators under the Startup India Action Plan, which is expected to promote entrepreneurship, provide pre-incubation training and a seed fund for high growth start-ups in the country.
- The Ministry of Commerce and Industry plans to establish India as a hub for world class designing by setting up four National Institute of Design (NIDs) across the country, aimed at providing skills to empower India's human capital towards world class designing.

Under the Digital India initiative numerous steps have been taken by the Government of India. Some of them are as follows:

- The Government of India plans to revamp two of its digital initiatives, the United Payment Interface (UPI) and Unstructured Supplementary Service Data (USSD), to enable consumers to easily make transactions digitally, with or without an Internet connection, and thereby strengthen its push towards making India a digital economy.
- Prime Minister, Mr. Narendra Modi has launched the Bharat Interface for Money (BHIM) app, an Aadhaar-based mobile payment application that will allow users to make digital payments without having to use a credit or debit card.
- The Government of India has launched a digital employment exchange which will allow the industrial enterprises to find suitable workers and the job-seekers to find employment. The core purpose of the initiative is to strengthen the communication between the stakeholders and to improve the efficiencies in service delivery in the MSME ministry. According to officials at the MSME ministry over 200,000 people have so far registered on the website.
- The Ministry of Human Resource Development recently launched Kendriya Vidyalaya Sangathan's (KVS) e-initiative 'KV ShaalaDarpan' aimed at providing information about students electronically on a single platform. The program is a step towards realising Digital India and will depict good governance.
- The Government of India announced that all the major tourist spots like Sarnath, Bodhgaya and Taj Mahal will have a Wi-Fi facility as part of digital India initiative. Besides, the Government has started providing free Wi-Fi service at Varanasi ghats.
- The Government of India has launched an initiative to create 100 smart cities as well as Atal Mission for Rejuvenation and Urban Transformation (AMRUT) for 500 cities with an outlay of ₹ 48,000 crore (US\$ 7.47 billion) and ₹ 50,000 crore (US\$ 7.34 billion) crore respectively. Smart cities are satellite towns of larger cities which will consist of modern infrastructure and will be digitally connected.

- The number of internet users in India is expected to reach 730 million by 2020, supported by fast adoption of digital technology, according to a report by NASSCOM.

Road Ahead

According to The World Bank, the Indian economy will likely grow at 7 per cent in 2016-17, followed by further acceleration to 7.6 per cent in 2017-18 and 7.8 per cent in 2018-19. Demonetization is expected to have a positive impact on the Indian economy, which will help foster a clean and digitized economy in the long run, according to Ms. Kristalina Georgieva, Chief Executive Officer, The World Bank. India is expected to be the third largest consumer economy as its consumption may triple to US\$ 4 trillion by 2025, owing to shift in consumer behavior and expenditure pattern, according to a Boston Consulting Group (BCG) report; and is estimated to surpass USA to become the second largest economy in terms of purchasing power parity (PPP) by the year 2040, according to a report by PricewaterhouseCoopers.

Also, the Prime Minister, Mr. Narendra Modi has stated that India has become the world's fastest growing large economy, and is expected to grow five-fold by 2040, owing to a series of policy measures.

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

OUR BUSINESS

Our Company was originally incorporated as a private limited company on February 16, 1996 under the name Tejaswi Packaging Private Limited vide certificate of Incorporation, issued by the Registrar of Companies, Andhra Pradesh under the provisions of Companies Act 1956. Subsequently, our Company was converted into a public limited company pursuant to special resolution passed at the Extra-ordinary General Meeting of our Company held on January 17, 2018 and the name of our company was changed to “Tejaswi Packaging Limited”. Upon conversion into a public limited company, a fresh certificate of incorporation was issued by the Registrar of Companies, Andhra Pradesh & Telangana on January 24, 2018. The Corporate Identification Number of our Company is U63010TG1996PLC023241.

We are a leading manufacturer in the rigid packaging space primarily Bottles, Containers and Jars for several major companies in the Agrochemical and Veterinary space. We primarily manufacture Blow molded HDPE products using state-of-the-art technologies and intend to enter into the manufacturing of PET products very shortly. The company has its principle office in Hyderabad, India and services many large clients in the South and the West of the country. We are led by steadfast, experienced management and are a process driven organization, always striving to become more efficient while maintaining value. We aim to be the leading manufacturer of HDPE products in South India by 2022.

The company services a wide ranging clientele including several multinational companies and has a long history of customer satisfaction. With a portfolio of over 300 products, we have grown consistently and have registered YoY growth that has seen the company become one of the leading players in the HDPE manufacturing industry. Our Unit -1 and Unit -2 currently have a combined installed capacity of 800 metric tonnes of production spread over 14,600 sq feet area. We all set to expand our production capacity to 1100 metric tonnes by the end of FY 2018-19 and 1600 metric tonnes by the end of 2019-20 with another unit built over an area of 23,000 sq.ft.

Our progress in this business can be evaluated from the Restated Financial Statements given elsewhere in this Draft Prospectus. The main components of such Financial Statements such as Total Income, Profit After Tax and EBITDA have been discussed here. Our total income was ₹ 1261.14 Lakhs, ₹ 1153.72 Lakhs, ₹ 1363.11 Lakhs, ₹ 1087.78 Lakhs, ₹ 968.30 Lakhs for FY 2016-17, 2015-16, 2014-15, 2013-14 and 2012-13 respectively and for the Nine months period ended on December 31, 2017 was ₹ 1204.17 Lakhs. Our EBITDA was ₹ 214.05 Lakhs, ₹ 190.18 Lakhs, ₹ 262.43 Lakhs, ₹ 97.59 Lakhs, ₹ 109.26 Lakhs for FY 2016-17, 2015-16, 2014-15, 2013-14 and 2012-13 respectively and for the Nine months period ended on December 31, 2017 was ₹ 274.61 Lakhs, while our Profit After Tax, in such periods was ₹ 109.65 Lakhs, ₹ 103.66 lakhs, ₹ 164.38 Lakhs, ₹ (6.67) Lakhs and ₹ 50.36 Lakhs respectively and for the Nine Months period ended on 31st December, 2017 was ₹ 170.11 Lakhs.

OUR LOCATIONS

Type	Address	Rented/Owned
Registered Office	Plot No.6A , Phase-1 IDA Cherlapally, Hyderabad,Telangana, Pin : 500 051	Owned
Manufacturing Unit-1	Plot No.6A , Phase-1 IDA Cherlapally, Hyderabad,Telangana, Pin : 500 051	Owned
Manufacturing Unit-2	Shed No.18 , Phase-1 IDA Cherlapally, HyderabadTelangana, Pin : 500 051	Owned
Manufacturing Unit-3 (Working In Progress)	Plot No.6B , Phase-1 IDA Cherlapally,Telangana, Pin : 500 051	Owned

OUR OBJECTIVES

Our objective is to meet the demands of the Pharmaceutical Sector in the packaging area as well as the growing Agrochemical and Veterinary Industry.

DETAILS OF INSTALLED AND UTILIZED CAPACITY

Particulars	Unit – I		Unit - II		Total
	Installed Capacity	Utilized Capacity	Installed Capacity	Utilized Capacity	
Blow Molding	500 MTs Per Annum	425 MTS per Annum (85 % of the Installed Capacity)	300 MTs Per Annum	255 MTS Per Annum (85 % of the Installed Capacity)	45000 numbers per day HDPE Containers

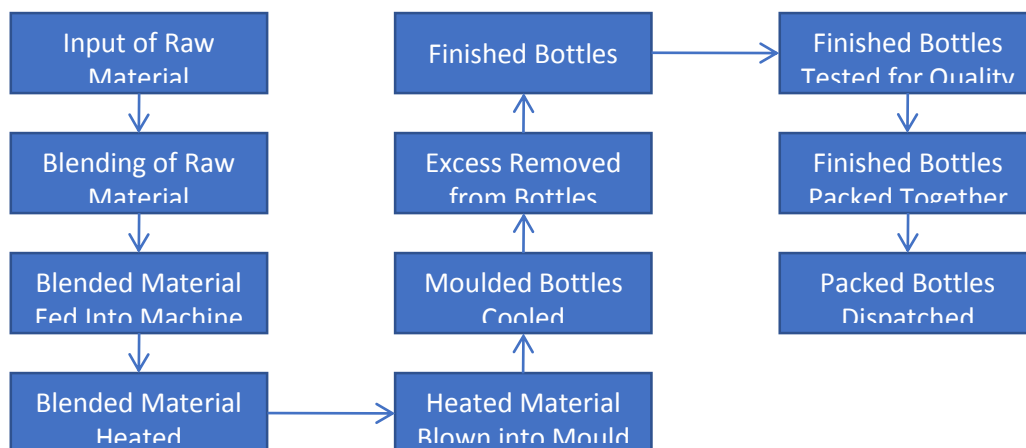
OUR PRODUCTS

Our Company is engaged in the business of manufacturing of HDPE (High Density Polyethylene)/PP (Polypropylene) Bottles and Containers. HDPE plastic bottles offer a mildly stiff impact resistant bottle, with a great moisture barrier. The HDPE plastic bottles are available in multiple shapes and sizes. These plastic bottles are also available in natural, white and a variety of colours available with a variety of closure options.



MANUFACTURING PROCESS

Our Manufacturing process is given in the below flow chart:



COLLABORATIONS/TIE UPS/ JOINT VENTURES

Our Company does not have any Collaboration/Tie Ups/ Joint Ventures as on date of this Draft Prospectus.

UTILITIES & INFRASTRUCTURE FACILITIES

Our Registered office is situated at Plot No.6A, Phase-1 IDA Cherlapally, Hyderabad, Telangana - 500 051. Our three manufacturing units are located at IDA Cherlapally, expanded over an area of 51,120 Sq. feet of industrial land. Our office/units are well equipped with computer systems, relevant software, other communication equipment, uninterrupted power supply, internet connectivity, security and other facilities, which are required for our business operations to function smoothly.

POWER

The requirement of power for our production units is for lighting, air conditioning and operating the machines. It is met through the local power distribution company where the units are located.

	<u>Unit – I</u>	<u>Unit – II</u>
Transformer capacity	250 KVA	250 KVA

WATER

Water required for manufacturing process, human consumption and other purposes is fully met at the existing premises from ground water and regular supply from municipality.

RAW MATERIAL

The basic material required is plastic granules and additive. The raw materials are procured from the giants of the industries. The Company has entered into Memorandums of Understanding (MoU) with the suppliers of raw materials for ensuring timely and continuous supply of raw material. Our major suppliers are Haldia Petrochemicals Limited and Gas Authority of India Limited.

HUMAN RESOURCES

We believe that a motivated and empowered employee base is the key to our operations and business strategy. Over the years, we have developed a large pool of skilled and experienced personnel. Our manpower is a prudent mix of the

experienced and young people which gives us the dual advantage of stability and growth, execution of services within time and quality. Our skilled resources together with our strong management team have enabled us to successfully implement our growth plans. As on the date of Draft Prospectus, we have the following number of employees on the payroll of the Company:

Department Wise Employee Break Up

Department	Number of Employees
Management and Administration	5
Production and Operations	4
Other Employees (Skilled/Unskilled)	48
Total	57

Plant and Machinery

The Company have following Machineries as on date:

LOCATION OF UNIT I	:	PLOT NO: 6A , PHASE I, IDA, CHERLAPALLY, HYDERABAD - 500 051
Land area	:	5,607 Sq. Ft
Built Up Area	:	6,500 Sq. Ft

LOCATION OF UNIT II	:	SHED NO: 18 , PHASE I , IDA ,CHERLAPALLY, HYDERABAD - 500 051
Land area	:	17,289 Sq. Ft.
Built Up Area	:	8,100 Sq. Ft

LOCATION OF UNIT III	:	PLOT NO: 6B , PHASE I , IDA ,CHERLAPALLY, HYDERABAD - 500 051
Land area	:	28,224 Sq. Ft.
Built Up Area	:	23,000 Sq. Ft (Under Construction)

CAPITAL EQUIPMENT DETAILS

Blow Molding Machinery	11 Nos.
DGP Windsor Make Fully Automatic 5ltr Blow Molding Machine Model KBM 5 Model	1 No
DGP Windsor Make Digiblo 1 Ltr Two Station Micro Processor Control Blow Molding Machine	2 Nos.
Central Machine Make 2 Ltr Capacity Single Station	2 Nos.
Central Machine Make 5 Ltr Capacity Single Station	1 No
Central Machine Make 500 MI Capacity Double Station	2 Nos.
Central Machine Make 1000 MI Capacity Double Station	3 Nos.
Printing Machines - Fully Automatic Screen Printing	3 Nos.
Air Compressors	3 Nos.
Mould Chillers	5 Nos.
Moulds	120 Nos.

COMPETITION

The industry in which we operates is highly competitive as the industry has the players from organized as well as unorganized sector and the intensity of competition is high to such extent that some time we and our promoters get collide for where there is a common customers or there is a newer opportunities in the market. Following are our Key Competitors:

1. Manjushree Technopack Limited
2. Alpla India Private Limited

3. Mold-Tek Packaging Limited

We will adhere with Competition Commission of India Act, 2002 and will follow ethical practices.

CUSTOMERS

We at present serve the B2B sector. Our customers include major companies from various industrial sectors such as agro-chemicals, aquaculture, veterinary and packaged food. The Company has its presence in the following States of the Domestic Market:

1. Telangana
2. Andhra Pradesh
3. Tamil Nadu
4. Maharashtra
5. Karnataka

The details of our major Customers are as under:

S.No	Customer Name	Location	Material	% of the Total Sales
1	NagarjunaAgrichem Limited	Andhra Pradesh	HDPE Bottles	8%
2	Vantech Chemicals Limited	Telangana	HDPE Bottles	6%
3	Neo Spark Drugs & Chemicals Private Limited	Telangana	HDPE Bottles	15%
4	Tricom Agro Private Limited	Telangana	HDPE Bottles	6%
5	Jayalakshmi Fertilisers	Telangana	HDPE Bottles	9%

BUSINESS STRATEGY



Operational Excellence

Operational Excellence manifests itself through integrated performance across revenue, cost, and risk. It focuses on meeting customer expectation through the continuous improvement of the operational processes and the culture of the organization.

Capacity Expansion

The importance of capacity expansion decisions to lift constraints in parts of supply chains has increased significantly in recent years owing to general ever-increasing performance requirements. Capacity expansion will positively affect delivery lead time, thus improving customer experience.

Diversification

Diversification into PET and other value-added HDPE products can open up avenues for additional customers and revenue generating streams.

Customer Outreach

New customers would be solicited in order to enter newer markets and develop the company's portfolio. Outreach to existing customers would also be a major aspect in order to increase order-size.

SWOT ANALYSIS

Strengths : TPL has a strong set of moulds which encompass not only all the popular models, but also several new innovative ones. This coupled with a growing set of new customers as well as existing customers who are posting YoY growth in sales and production has resulted in consistent growth over the past decade. TPL plans to capitalize on these strengths and further increase its reach in the industry

Strengths in Business Management

➤ Organisational stability and promoters' extensive experience:

- The company has been operational for 22 years in the manufacturing of HDPE plastic bottles, which lends stability to its business risk profile and the promoters also hold around 3 decades of relevant experience in the industry.
- The extensive industry experience of the promoters has helped the company to gain repeat orders. Thus, the company will continue to benefit from its promoters' extensive industry knowledge and insights.

➤ Geographic diversity:

- The company caters to more than 40 customers located across Telangana, Andhra Pradesh, Maharashtra, Karnataka and Tamil Nadu. The business risk profile of the company is expected to further improve with its increasing geographical footprint, while it maintains healthy relationships with its established client base.

➤ High focus on quality:

- The company has an in-house facility to conduct quality tests at each stage of manufacturing process, which enhances the product quality and leads to a competitive advantage.

Strengths in Financials

➤ Efficient capital deployment:

- This is reflected in the company's return on capital employed (RoCE) of 23.37% during fiscal 2017

➤ Good liquidity position:

- Company having current ratio of 2.75 times as of FY 2016-2017.

CRISIL CREDIT REPORT Valid Through: May 11, 2019

NSIC-CRISIL performance and credit rating

CRISIL MSE 1 indicates 'Highest' credit worthiness adjudged in relation to other MSEs	CRISIL MSE Rating	Definition	Financial Strength	Operating Performance
	MSE 1	Highest	Highest	Highest
	MSE 2	High	High	High
	MSE 3	Good	Good	Average
	MSE 4	Above Average	Above Average	Weak
	MSE 5	Average	Average	Poor
	MSE 6	Below Average	Below Average	
	MSE 7	Weak	Weak	
	MSE 8	Poor	Poor	

Weakness: A certain amount of dependence on the monsoon is bound to be present due to the nature of the agrochemical (client) industries. This weakness however can be offset by effectively increasing the consumer base in other industry sectors.

Opportunities: The growing set of new customers in the agro-chemical and veterinary field presents an excellent opportunity for growth. The pharmaceutical industry presents another opportunity with its increasing footprint in the south region and the close proximity of several such companies in Hyderabad. Expansion into PET manufacturing is another area of opportunity for TPL as the existing set of customers can be a great starting point for sales.

Threats: While the possibility of new entrants remains low, it still remains a factor of consideration like in any other industry. Raw Material Price variation is another factor that has an effect on the entire industry and can affect profitability. The variation of Raw Material prices however is partially passed on to the customers in the form of increased sale price.

MARKETING STRATEGY

The customer set of TPL fall into three separate categories as follows:

- Existing HDPE Customers
- New HDPE Customers
- New PET Customers

Each of these customers have different requirements and thus need a different marketing approach.

Existing HDPE customer: The existing customers would be exposed to new moulds developed by TPL based on market trends in addition to the existing moulds being utilized by them. This is a tested strategy which has worked well for TPL thus far, and would definitely lead to increased order sizes from existing customers.

New HDPE and PET Customers: New customers requiring HDPE and PET bottles would be solicited via customer visits, sharing the catalogues of moulds and subsequent factory visits to showcase the infrastructure and quality processes. Stalls are also being planned at exhibitions and trade shows in order to get new leads which can potentially be converted into sales at a later date. In addition to the aforementioned steps, existing HDPE customers would also be tapped to explore their requirement of PET bottles.

Offline and Online Marketing Outreach: TPL's sales team would be responsible for following up on leads and connecting with potential customers. Marketing collaterals such as brochures and catalogues would be prepared for sales

personnel to use during their outreach to potential customers. TPL would also generate leads by listing itself on online trade portals, redirecting potential leads to its website and by reaching out through the company profile on business networking sites such as linkedin.

Export Possibilities: There is a huge scope for export of HDPE and PET products as well to countries in Africa and South Asia which TPL will target.

OUR PROPERTIES

We own properties which are disclosed above in this chapter.

INTELLECTUAL PROPERTY

We have no intellectual property in our Name as on date of this Draft Prospectus.

KEY INDUSTRY REGULATIONS AND POLICIES

In carrying on our business as described in the section titled “Our Business” on page no. 79 of this Draft Prospectus, our Company is regulated by the following legislations in India. 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 legal advice. For details of Government Approvals obtained by the Company in compliance with these regulations, kindly refer to the Chapter titled “Government and Other Approvals” beginning on page no. 152 of this Draft Prospectus. Our Company is engaged in the business of manufacturing of plastic moulded products. Our business is governed by various central and state legislations that regulate the substantive and procedural aspects of our business. We are required to obtain and regularly renew certain licenses/ registrations and / or permissions required statutorily under the provisions of various Central and State Government regulations, rules, bye laws, acts and policies. Given below is a brief description of the certain relevant legislations that are currently applicable to the business carried on by us:

A. REGULATIONS GOVERNING THE MANUFACTURING SECTOR

The primary central legislation governing the manufacturing sector is the Factories Act, 1948. In addition, compliance of various labour related legislations, including the Payment of Wages Act, 1956, The Minimum Wages Act, 1948, Equal Remuneration Act, Employees’ Compensation Act, 1923, Industrial Disputes Act, 1948, Payment of Gratuity Act, 1972, Employees’ Provident Funds and Miscellaneous Provisions Act, 1952, Payment of Bonus Act, 1965 and the Shops and Establishment Rules framed under the Factories Act, 1948 as may be applicable in the relevant state.

The Factories Act, 1948

The Factories Act, 1948 (“Factories Act”) seeks to regulate labour employed in factories and makes provisions for the safety, health and welfare of the workers. The term ‘factory’, as defined under the Factories Act, means any premises which employs or has employed on any day in the previous 12 (twelve) months, 10 (ten) or more workers and in which any manufacturing process is carried on with the aid of power, or any premises wherein 20 (twenty) or more workmen are employed at any day during the preceding 12 (twelve) months and in which any manufacturing process is carried on without the aid of power. An occupier of a factory under the Factories Act, means the person who has ultimate control over the affairs of the factory. The occupier or manager of the factory is required to obtain a registration for the factory. The Factories Act also requires inter alia the maintenance of various registers dealing with safety, labour standards, holidays and extent of child labour including their conditions. Further, notice of accident or dangerous occurrence in the factory is to be provided to the inspector by the manager of the factory. The following rules are applicable to the Company:

The Industrial Disputes Act, 1947 and Industrial Dispute (Central) Rules, 1957

The Industrial Disputes Act, 1947 (“ID Act”) was enacted to make provision for investigation and settlement of industrial disputes and for other purposes specified therein. Workmen under the ID Act have been provided with several benefits and are protected under various labour legislations, whilst those persons who have been classified as managerial employees and earning salary beyond a prescribed amount may not generally be afforded statutory benefits or protection, except in certain cases. Employees may also be subject to the terms of their employment contracts with their employer, which contracts are regulated by the provisions of the Indian Contract Act, 1872. The ID Act also sets out certain requirements in relation to the termination of the services of the workman’s services. This includes detailed procedure prescribed for resolution of disputes with labour, removal and certain financial obligations up on retrenchment. The Industrial Dispute (Central) Rules, 1957 specify procedural guidelines for lock-outs, closures, layoffs and retrenchment.

The Employees’ Compensation Act, 1923

The Employees’ Compensation Act, 1923 (“EC Act”) has been enacted with the objective to provide for the payment of compensation to workmen by employers for injuries caused by accident(s) arising out of and in the course of employment, and for occupational diseases resulting in death or disablement. The EC Act makes every employer liable to pay compensation in accordance with the EC Act if a personal injury/disablement/ loss of life is caused to a workman by accident arising out of and in the course of his employment. In case the employer fails to pay compensation due under the

EC Act within 1 (one) month from the date it falls due, the commissioner appointed under the EC Act may direct the employer to pay the compensation amount along with interest and may also impose a penalty.

The Employees State Insurance Act, 1948

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

The Employees' Provident Fund and Miscellaneous Provisions Act, 1952

The Employees Provident Funds and Miscellaneous Provisions Act, 1952 ("EPF Act") was introduced with the object to institute compulsory provident fund for the benefit of employees in factories and other establishments. The EPF Act provides for the institution of provident funds and pension funds for employees in establishments where more than 20 (twenty) persons are employed and factories specified in Schedule I of the EPF Act. Under the EPF Act, the Central Government has framed the "Employees Provident Fund Scheme", "Employees Deposit-linked Insurance Scheme" and the "Employees Family Pension Scheme". Liability is imposed on the employer and the employee to contribute to the funds mentioned above, in the manner specified in the statute. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPF Act also prescribes penalties for avoiding payments required to be made under the abovementioned schemes. Equal Remuneration Act, 1976 Equal Remuneration Act, 1976 provides for payment of equal remuneration to men and women workers and for prevention discrimination, on the ground of sex, against female employees in the matters of employment and for matters connected therewith.

Maternity Benefit Act, 1961

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

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

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

The Payment of Bonus Act, 1965

The Payment of Bonus Act, 1965 ("PB Act") is applicable to every factory and every other establishment employing 20 (twenty) or more persons. According to the provisions of the PB Act, every employer shall be bound to pay to every employee in respect of the accounting year a minimum bonus which shall be 8.33% of the salary or wage earned by the employee during the accounting year or ₹ 100/- (Rupees One Hundred), whichever is higher, whether or not the employer has any allocable surplus in the accounting year. If the allocable surplus exceeds minimum bonus payable, then the employer must pay bonus proportionate to the salary or wage earned during that period, subject to maximum of 20% of

such salary or wage. ‘Allocable surplus’ is defined as 67% of available surplus in the financial year, before making arrangements for the payment of dividend out of profit of the Company.

The Payment of Gratuity Act, 1972

The Payment of Gratuity Act, 1972 (“PG Act”) applies to every factory and shop or establishment in which ten or more employees are employed. Gratuity is payable to an employee on the termination of his employment after he has rendered continuous service for not less than 5 (five) years: a) On his/her superannuation; b) On his/her retirement or resignation; c) On his/her death or disablement due to accident or disease (in this case the minimum requirement of 5 (five) years does not apply). Gratuity is payable to the employee at the rate of 15 (fifteen) days’ wages for every completed year of service or part thereof in excess of 6 (six) months.

Importer Exporter Code

Under the Indian Foreign Trade Policy, 2004, no export or import can be made by a person or company without an Importer Exporter Code number unless such person/company is specifically exempted. An application for an Importer Exporter Code number has to be made to the office of the Joint Director General of Foreign Trade, Ministry of Commerce. An Importer Exporter Code number allotted to an applicant is valid for all its branches/divisions/ units/factories.

The Payment of Wages Act, 1936

The Payment of Wages Act, 1936 (“PW Act”) is applicable to the payment of wages to persons in factories and other establishments. PW Act ensures that wages that are payable to the employee are disbursed by the employer within the prescribed time limit and no deductions other than those prescribed by the law are made by the employer. The Minimum Wages Act, 1948

The Minimum Wages Act, 1948

The Minimum Wages Act, 1948 (“MWA Act”) was enacted to establish minimum wages for certain categories of employees. Under this Act, the Central and the State Governments stipulate the scheduled industries and establishments and fix minimum wages.

The Micro, Small and Medium Enterprises Development Act, 2006 and Industries (Development and Regulation) Act, 1951

The Micro, Small and Medium Enterprises Development Act, 2006 and Industries (Development and Regulation) Act, 1951 (“MSMED Act”) inter-alia seeks to provide for facilitating the promotion and development and enhancing the competitiveness of micro, small and medium enterprises. The MSMED Act inter-alia empowers the Central Government to classify by notification, any class of enterprises including inter-alia, a company, a partnership, firm or undertaking by whatever name called, engaged in the manufacture or production of goods pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 as: (i) a micro enterprise, where the investment in plant and machinery does not exceed ₹ 25,00,000/- (Rupees Twenty Five Lakhs Only); (ii) a small enterprise, where the investment in plant and machinery is more than ₹ 25,00,000/- (Rupees Twenty Five Lakh Only) but does not exceed ₹ 5,00,00,000/- (Rupees Five Crores Only); or (iii) a medium enterprise, where the investment in plant and machinery is more than ₹ 5,00,00,000/- (Rupees Five Crores Only) but does not exceed ₹ 10,00,00,000/- (Rupees Ten Crores Only). In case of enterprises engaged in providing or rendering of services, the enterprise may be classified as: (i) a micro enterprise, where the investment in equipment does not exceed ₹ 10,00,000/- (Rupees Ten Lakhs Only); (ii) a small enterprise, where the investment in equipment is more than ₹ 10,00,000/- (Rupees Ten Lakhs Only) but does not exceed ₹ 2,00,00,000/- (Rupees Two Crores Only); or (iii) a medium enterprise, where the investment in equipment is more than ₹ 2,00,00,000/- (Rupees Two Crores Only) but does not exceed ₹ 5,00,00,000/- (Rupees Five Crores Only). The MSMED Act also inter-alia stipulates that any person who intends to establish, a micro or small enterprise or a medium enterprise engaged in rendering of services, may at his discretion and a medium enterprise engaged in the manufacture or production of goods as specified hereinabove, file a memorandum of micro, small or medium enterprise, as the case may be, with the prescribed authority

The Legal Metrology Act, 2009

The Legal Metrology Act, 2009 ("L.M. Act") governs the standards/units/denominations used for weights and measures as well as for goods which are sold or distributed by weight, measure or number. It also states that any transaction/contract relating to goods/class of goods shall be as per the weight/measurement/numbers prescribed by the L.M. Act. Moreover, the L.M. Act prohibits any person from quoting any price, issuing a price list, cash memo or other document, in relation to goods or things, otherwise than in accordance with the provisions of the L.M. Act. The specifications with respect to the exact denomination of the weight of goods to be considered in transactions are contained in the Rules made by each State. The following are the rules applicable to the Company:

- Legal Metrology (General) Rules, 2011

B. ENVIRONMENTAL REGULATIONS

Our Company is also required to obtain clearances under the Environment (Protection) Act, 1986, and other environmental laws such as the Water (Prevention and Control of Pollution) Act, 1974, the Water (Prevention and Control of Pollution) Cess Act, 1977 and the Air (Prevention and Control of Pollution) Act, 1981, before commencing its operations. To obtain an environmental clearance, a no-objection certificate from the concerned state pollution control board must first be obtained, which is granted after a notified public hearing, submission and approval of an environmental impact assessment ("EIA") report and an environment management plan ("EMP"). Our Company must also comply at all times with the provisions of The Hazardous Waste (Management and Handling) Rules, 1989, as amended, and as superseded by the Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008.

Environment Protection Act, 1986 and Environment (Protection) Rules, 1986

The Environmental Protection Act, 1986 is an "umbrella" legislation designed to provide a framework for co-ordination of the activities of various central and state authorities established under various laws. The potential scope of the Act is broad, with "environment" defined to include water, air and land and the interrelationships which exist among water, air and land, and human beings and other living creatures, plants, micro-organisms and property.

Water Legislations to control water pollution are listed below: The Water (Prevention and Control of Pollution) Act, 1974 prohibits the discharge of pollutants into water bodies beyond a given standard, and lays down penalties for non-compliance. The Water Act also provides that the consent of the State Pollution Control Board must be obtained prior to opening of any new outlets or discharges, which is likely to discharge sewage or effluent.

The Water (Prevention and Control of Pollution) Cess Act, 1977 provides for the levy and collection of a cess on water consumed by persons carrying on certain industries and by local authorities, with a view to augment the resources of the Central Board and the State Boards for the prevention and control of water pollution constituted under the Water (Prevention and Control of Pollution) Act, 1974.

Air Legislations to control air pollution are listed below: The Air (Prevention and Control of Pollution) Act, 1981 requires that any individual or institution responsible for emitting smoke or gases by way of use as fuel or chemical reactions must apply in a prescribed form and obtain consent from the state pollution control board prior to commencing any activity. National Ambient Air Quality Standards (NAAQS) for major pollutants were notified by the Central Pollution Control Board in April 1994.

Hazardous Wastes

There are several legislations that directly or indirectly deal with hazardous wastes. The relevant legislations are:

- The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008
- The Public Liability Insurance Act, 1991

Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008 These rules require that the occupier and the operator of the facility, that treats hazardous wastes, must properly collect, treat, store or dispose the hazardous wastes without adverse effects on the environment. Schedule I of the said Rules lists out the primary and secondary production of aluminium as a process that generates hazardous waste and therefore requires compliance under these Rules.

Plastic Waste Management (PWM) Rules, 2016, India

The government of India, through the Ministry of Environment, Forest and Climate Change notified the new Plastic Waste Management Rules, 2016 (through a Gazette notification dated 18 March 2016). This supersedes the Plastic Waste

(Management and Handling) Rules, 2011 that governed such activities earlier. This provides the framework for how plastic waste generators, local bodies, manufacturers, importers etc., to manage plastic waste.

C. TAX RELATED LEGISLATIONS

The Central Sales Tax Act, 1956

The Central Sales tax (“CST”) is levied on the sale of movable goods in the course of inter-state trade or commerce. In India, sales tax is levied both at the union level under the Central Sales Tax Act, 1956 as well as the state level under the respective state legislation. Goods sold within the jurisdiction of the state are charged to Value Added Tax (“VAT”) in accordance with the VAT statute of that state. CST is payable by a dealer (i.e. a person who carries on the business of buying, selling, supplying or distributing goods) on his sales turnover at the rate prescribed in the VAT statute of the State from where the movement of the goods originate. However, a dealer is entitled to a concessional rate of 2% CST on goods which are sold to another registered dealer who intends to further re-sell them or use them in the manufacture or processing for further sale or for certain other specified purposes, subject to the condition that purchasing dealer issues a statutory Form C to the selling dealer.

Value Added Tax

Value Added tax (“VAT”) is a system of multi-point levies on each of the purchases in the supply chain with the facility of set-off input tax on sales whereby tax is paid at the stage of purchase of goods by a trader and on purchase of raw materials by a manufacturer. VAT is based on the value addition of goods, and the related VAT liability of the dealer is calculated by deducting input tax credit for tax collected on the sales during a particular period. VAT is a consumption tax applicable to all commercial activities involving the production and distribution of goods and the provisions of services, and each State that has introduced VAT has its own VAT Act under which persons liable to pay VAT must register and obtain a registration number from the Sales Tax Officer of the respective State.

Income-tax Act, 1961

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

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 into India from a place outside India or at the time of export of goods out of India to a place outside India. Any company requiring to import or export any goods is required to get itself registered under this Act and obtain an Importer Exporter Code number.

Excise-Related Regulations 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 requires every person who produces, manufactures, carries on trade, holds private store-room or warehouse or otherwise uses excisable goods, to obtain registration thereunder. Additionally, the Central Excise Tariff Act, 1985 (the “CETA”) prescribes the rates of excise duties for various goods. Excise duty is imposed on goods produced or manufactured in India under the provisions of CETA. The Central Excise Rules, 2002 provides the manner of payment of the central excise duty as well as the rebate and remission provisions.

Service Tax 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. Vide Notification No. 30/2012-Service Tax dated June 20, 2012, the liability to pay service tax in respect of certain taxable services, as specified therein, has shifted from the person who provides the service, to the person who receives the service. Every person who is liable to pay service tax must register himself with the appropriate authorities. According to Rule 6 of the Service Tax Rules, 1994, 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, 1994, the Company is required to file a half-yearly return in Form ST 3 by the 25th

of the month immediately following the half year to which the return relates. Every assessee is required to file the half-yearly return electronically.

Professional Tax

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

Goods and Service Tax (GST)

Goods and Services Tax (GST) is levied on supply of goods or services or both jointly by the Central and State Governments. It was introduced as The Constitution (One Hundred and First Amendment) Act 2017 and is governed by the GST Council. GST provides for imposition of tax on the supply of goods or services and will be levied by Centre on intra-state supply of goods or services and by the States including Union territories with legislature/ Union Territories without legislature respectively. A destination based consumption tax GST would be a dual GST with the centre and states simultaneously levying tax with a common base. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 (CGST), State Goods and Services Tax Act, 2017 (SGST), Union Territory Goods and Services Tax Act, 2017 (UTGST), Integrated Goods and Services Tax Act, 2017 (IGST) and Goods and Services Tax (Compensation to States) Act, 2017 and various rules made thereunder. It replaces following indirect taxes and duties at the central and state levels: Central Excise Duty, Duties of Excise (Medicinal and Toilet Preparations), additional duties on excise – goods of special importance, textiles and textile products, commonly known as CVD – special additional duty of customs, service tax, central and state surcharges and cesses relating to supply of goods and services, state VAT, Central Sales Tax, Luxury Tax, Entry Tax (all forms), Entertainment and Amusement Tax (except when levied by local bodies), taxes on advertisements, purchase tax, taxes on lotteries, betting and gambling.

It is applicable on all goods except for alcohol for human consumption and five petroleum products. Taxpayers with an aggregate turnover of ₹ 20 Lakhs would be exempt from tax. The exemption threshold for special category of states like North-East shall be ₹ 10 Lakhs. Small taxpayers with an aggregate turnover in preceding financial year upto ₹ 75 Lakhs (50 Lakhs in case of special category states) may opt for composition levy. Under GST, goods and services are taxed at the following rates, 0%, 5%, 12% and 18%. There is a special rate of 0.25% on rough precious and semi-precious stones and 3% on gold. In addition a cess of 15% or other rates on top of 28% GST applies on few items like aerated drinks, luxury cars and tobacco products. Export and supplies to SEZ shall be treated as zero-rated supplies. Import of goods and services would be treated as inter-state supplies.

Every person liable to take registration under these Acts shall do so within a period of 30 days from the date on which he becomes liable to registration. The Central/State authority shall issue the registration certificate upon receipt of application. The Certificate shall contain fifteen digit registration number known as Goods and Service Tax Identification Number (GSTIN). In case a person has multiple business verticals in multiple location in a state, a separate application will be made for registration of each and every location. The registered assessee are then required to pay GST as per the rules applicable thereon and file the appropriate returns as applicable thereon.

D. OTHER LEGISLATIONS

The Bureau of Indian Standards Act, 1986

The Bureau of Indian Standards Act, 1986 (the “BIS Act”) was established to provide for the establishment of a bureau (the “Bureau”) for the harmonious development of the activities of standardization, marking and quality certification of goods and for matters connected therewith. “Indian Standard” means the standard (including any tentative or provisional standard) established and published by the Bureau, in relation to any article or process indicative of the quality and specification of such article or process and includes - (i) any standard recognized by the Bureau under clause (b) of section 10 of the BIS Act; and (ii) any standard established and published, or recognized, by the Indian Standards Institution and which is in force immediately before the date of establishment of the Bureau.

The Indian Contract Act, 1872

The Contract Act (“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 Specific Relief Act, 1963

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

The Competition Act, 2002

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

The Companies Act, 1956

The Companies Act, 1956 deals with laws relating to companies and certain other associations. It was enacted by the parliament in 1956. The Act primarily regulates the formation, financing, functioning and winding up of companies. The Companies Act, 1956 prescribes regulatory mechanism regarding all relevant aspects, including organizational, financial and managerial aspects of companies. It deals with issue, allotment and transfer of securities and various aspects relating to company management. It provides for standard of disclosure in public issues of capital, particularly in the fields of company management and projects, information about other listed companies under the same management, and management perception of risk factors. In the functioning of the corporate sector, although freedom of companies is important, protection of the investors and shareholders, on whose funds they flourish, is equally important. The Companies Act, 1956 plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

The Companies Act, 2013, has been introduced to replace the existing Companies Act, 1956 in a phased manner. The Ministry of Corporate Affairs has vide its notification dated September 12, 2013 has notified 98 Sections of the Companies Act, 2013 and the same are applicable from the date of the aforesaid notification. A further 183 Sections have been notified on March 26, 2014 and have become applicable from April 1, 2014. The Companies (Amendment) Act, 2015 has inter-alia amended various Sections of the Companies Act, 2013 to take effect from May 29, 2015. Further, vide the Companies

(Amendment) Act, 2015, Section 11 of the Companies Act, 2013 has been omitted and Section 76A has been inserted in the Companies Act, 2013. 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 Patents Act, 1970

The Patents Act, 1970 (the “Patents Act”) is the primary legislation governing patent protection in India. In addition to broadly requiring that an invention satisfy the requirements of novelty, utility and non-obviousness in order for it to avail patent protection, the Patents Act further provides that patent protection may not be granted to certain specified types of inventions and materials even if they satisfy the above criteria. The term of a patent granted under the Patents Act is for a period of twenty years from the date of filing of the application for the patent. The public use or publication of an invention prior to the making of an application for a patent, may disentitle the said invention to patent protection on grounds of lack of novelty. Under the Patents Act, an invention will be regarded as having ceased to be novel (and hence not patentable), inter alia, by the existence of: (i) any earlier patent on such invention in any country; (ii) prior publication of information relating to such invention; (iii) an earlier product showing the same invention; and/or (iv) a prior disclosure or use of the invention that is sought to be patented. The Patents Act also prohibits any person resident in India from applying for patent for an invention outside India without making an application for the invention in India. The Controller of Patents is required to obtain the prior consent of the Central Government before granting any such permission in respect of inventions relevant for defense purpose or atomic energy. This prohibition on foreign applications does not apply, however, to an invention for which a patent application has first been filed in a country outside India by a person resident outside India.

The Trademarks Act, 1999

Under the Trademarks Act, 1999 (“Trademarks Act”), a trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and services to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. A ‘mark’ may consist of a device, brand, heading, label, ticket, name signature, word, letter, numeral, shape of goods, packaging or combination of colors or any combination thereof. Section 18 of the Trademarks Act requires that any person claiming to be the proprietor of a trade mark used or proposed to be used by him, must apply for registration in writing to the registrar of trademarks. The trademark, once applied for and which is accepted by the Registrar of Trademarks (“the Registrar”), is to be advertised in the trademarks journal by the Registrar. Oppositions, if any, are invited and, after satisfactory adjudications of the same, a certificate of registration is issued by the Registrar. The right to use the mark can be exercised either by the registered proprietor or a registered user. The present term of registration of a trademark is 10 (ten) years, which may be renewed for similar periods on payment of a prescribed renewal fee.

Transfer of Property Act, 1882

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

- Sale: The transfer of ownership in property for a price, paid or promised to be paid.
- Mortgage: The transfer of an interest in property for the purpose of securing the payment of a loan, existing or future debt, or performance of an engagement which gives rise to a pecuniary liability. The T.P. Act recognises several forms of mortgages over a property.
- Charges: Transactions including the creation of security over property for payment of money to another which are not classifiable as a mortgage. Charges can be created either by operation of law, e.g. decree of the court attaching to specified immovable property, or by an act of the parties.
- Leases: The transfer of a right to enjoy property for consideration paid or rendered periodically or on specified occasions.
- Leave and License: The transfer of a right to do something upon immovable property without creating interest in the property.

Further, it may be noted that with regards to the transfer of any interest in a property, the transferor transfers such interest, including any incidents, in the property which he is capable of passing and under the law, he cannot transfer a better title than he himself possesses.

The Registration Act, 1908

The Registration Act, 1908 (the “Registration Act”) was passed to consolidate the enactments relating to the registration of documents. The main purpose for which the Act was designed was to ensure information about all deals concerning land so that correct land records could be maintained. The Act is used for proper recording of transactions relating to other immovable property also. The Act provides for registration of other documents also, which can give these documents more authenticity. Registering authorities have been provided in all the districts for this purpose.

The Indian Stamp Act, 1899

The Indian Stamp Act, 1899 prescribes the rates for the stamping of documents and instruments by which any right or liability is, or purports to be, created, transferred, limited, extended, extinguished or recorded. Under the Indian Stamp Act, 1899, an instrument not ‘duly stamped’ cannot be accepted as evidence by civil court, an arbitrator or any other authority authorized to receive evidence. However, the document can be accepted as evidence in criminal court.

E. TRADE AND INDUSTRY RELATED LEGISLATIONS

Importer Exporter Code

Under the Indian Foreign Trade Policy, 2004, no export or import can be made by a person or company without an Importer Exporter Code number unless such person/company is specifically exempted. An application for an Importer Exporter Code number has to be made to the office of the Joint Director General of Foreign Trade, Ministry of Commerce. An Importer Exporter Code number allotted to an applicant is valid for all its branches/divisions/ units/factories.

Shops and Establishments legislations in various States

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

Foreign Trade (Development and Regulation) Act, 1992 (“FTA”)

In India, the main legislation concerning foreign trade is the Foreign Trade (Development and Regulation) Act, 1992 (“FTA”). The FTA read along with relevant rules provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India and for matters connected therewith or incidental thereto. As per the provisions of the Act, the Government:- (i) may make provisions for facilitating and controlling foreign trade; (ii) may prohibit, restrict and regulate exports and imports, in all or specified cases as well as subject them to exemptions; (iii) is authorized to formulate and announce an export and import policy and also amend the same from time to time, by notification in the Official Gazette; (iv) is also authorized to appoint a 'Director General of Foreign Trade' for the purpose of the Act, including formulation and implementation of the Export-Import (“EXIM”) Policy. FTA read with the Indian Foreign Trade Policy provides that no export or import can be made by a company without an Importer-Exporter Code number unless such company is specifically exempt. An application for an Importer-Exporter Code number has to be made to the office of the Joint Director General of Foreign Trade, Ministry of Commerce.

REGULATIONS REGARDING FOREIGN INVESTMENT

Foreign investment in companies in the wire and cables manufacturing industry is governed by the provisions of the Foreign Exchange Management Act, 1999 (“FEMA”) read with the applicable regulations. The Department of Industrial Policy and Promotion (“DIPP”), Ministry of Commerce and Industry has issued the Consolidated FDI Policy (the “FDI Circular”) which consolidates the policy framework on Foreign Direct Investment (“FDI”), with effect from June 7, 2016. The FDI Circular consolidates and subsumes all the press notes, press releases, and clarifications on FDI issued by DIPP till June 6, 2016. All the press notes, press releases, clarifications on FDI issued by DIPP till June 6, 2016 stand rescinded as on June 7, 2016. Foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the approval route, depending upon the sector in which foreign investment is sought to be made. Under the approval route, prior approval of the Government of India through FIPB is required. FDI for the items or activities that cannot be brought in under the automatic route may be brought in through the approval route. Where FDI is allowed on an automatic basis without the approval of the FIPB, the RBI would continue to be the primary agency for the purposes of monitoring and regulating foreign investment. In cases where FIPB approval is obtained, no approval of the RBI is required except with respect to fixing the issuance price, although a declaration in the prescribed form, detailing the foreign investment, must be filed with the RBI once the foreign investment is made in the Indian company. The RBI, in exercise of its power under the FEMA, has also notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000 to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. The Consolidated FDI Circular dated June 7, 2016 issued by the DIPP does not prescribe any cap on the foreign investments in the sector in which the Company operates. Therefore, foreign investment up to 100% is permitted in the Company under the automatic route. No approvals of the FIPB or the RBI are required for such allotment of equity Shares under this Issue. The Company will be required to make certain filings with the RBI after the completion of the Issue. RBI has also issued Master Circular on Foreign Investment in India dated July 01, 2015 which is valid till June 30, 2016. In terms of the Master Circular, an Indian company may issue fresh shares to persons resident outside India (who are eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular. As mentioned above, the Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR

OUR HISTORY AND OTHER CORPORATE MATTERS

Our Company was originally incorporated on February 02, 1996 as “Tejaswi Packaging Private Limited” under the provisions of the Companies Act, 1956 with the Registrar of Companies, Andhra Pradesh. Our Company was converted into a public Limited Company and accordingly the name of our Company was changed to Tejaswi Packaging Limited pursuant to a special resolution passed by our Shareholders at the EGM held on January 17, 2018. A fresh certificate of incorporation upon conversion to public limited company was issued on January 24, 2018 by Registrar of Companies, Andhra Pradesh & Telangana. Our Corporate Identification Number is U63010TG1996PLC023241.

The promoters of our Company are Sri. Alapaty Hari Hara Prasad, Smt. Alapaty Aruna, Sri. Alapati Siva Sankara Prasad and Sri. Alapati Kranthi Teja

We started our manufacturing operation in the Unit No.I in the year 1996 with an installed production capacity of 500 MTs per annum. As the demand for our products risen, we started Unit No. II in the year 2002 with an installed production capacity of 300 MTs per annum. We are now setting up Unit No. III with an installed production capacity of 800 MTs per annum to cater to the needs of the Agrochemical, Veterinary & Pharmaceutical Industry.

Changes in our Registered Office:

Our Company’s Registered Office is currently situated at Plot No 6A, Phase I, IDA, Cherlapally, Ranga Reddy, Hyderabad.

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

Date of Change	From	To
As on the date of Incorporation	-	22/3RT, MIGH, Vijayanagar Colony, Hyderabad -500 057.
October 29, 2002	22/3RT, MIGH, Vijayanagar Colony, Hyderabad -500 057.	Plot No.6A,IDA,Cherapally,RangaReddy District, Hyderabad- 500 051

Main Objects of our Company

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

- To manufacture, produce, process, buy, sell, import, export, market, develop, handle, distribute or otherwise engage or deal in all types of packing material such as polymers, metal, and corrugated boxes.
- To manufacture, produce, process, buy, sell, import, export, market, develop, handle, distribute or otherwise engage or deal in all types of container made up of metal and polymer including lamination and printing .
- To manufacture, produce, process, buy, sell, import, export, market, develop, handle, distribute or otherwise engage or deal in all types of polymer films, polymer woven sacks, polymer sheets and jute bags.
- To manufacture, produce, process, buy, sell, import, export, market, develop, handle, distribute or otherwise engage or deal in all types of sacks made up of jute and cloth.

Changes in the Memorandum of Association

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

Date of shareholders resolution	Particulars
July 31,1997	Increased in authorized capital from ₹ 35 Lakhs to ₹ 50 Lakhs

Date of shareholders resolution	Particulars
September 30,1999	Increased in authorized capital from ₹ 50 Lakhs to ₹ 100 Lakhs
October 29,2002	Change in the Registered Office to Plot No.6A,IDA, Cherapally, Ranga Reddy District, Hyderabad- 500 051
December 28,2017	Increased in authorised Capital from ₹ 100 Lakhs to ₹ 700 Lakhs
January 17, 2018	Conversion from Private to Public Limited Company

Major Events and Milestones

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

Year	Milestone
1996	Company incorporated as a private limited company
1996	Installed first Windsor Blow Moulding Machine and started the commercial production
1998	Installed 2nd blow molding machine of Windsor DIGIBLOW 2 station Machine - First of its kind in the country.
1999	Installed 3rd blow molding machine of Central Machinery Products , Mumbai Installed 82.5 KVA Generator for power back up
2001	Acquired 17400 sq feet industrial land in IDA , Cherlapally for starting up Unit – 2
2003	Started commercial production at Unit –2 by installing one Extrusion Blow Molding Machine of CMP make – Mumbai
2005	Added 5000 ml Blow Molding machine and Pad printing machine
2008	Installed 2 ltr single station blow molding machine,2 No's of chillers.
2009	Added 1 ltr double station machine, Air compressor, Automatic Printing machine, 2 Chillers & 500 ml Double Station Blow Molding machine
2010	Added 2 ltr single station blow molding machine, 2 Chillers, 500 ml Double Station Blow Molding machine & 1000 ml Double station Blow Moulding machine
2011	Additional Construction of 7000 Sq ft was completed at Unit –2 , IDA , Cherlapally
2012	Installed another 1000 ml Double station Extrusion Blow Molding Machine with a compressor at Unit –2
2013	Purchased 2 station blow molding machine and a mould chiller to enhance the production quality at Unit –2. Upgraded Power Connection from LT category to HT Category at Unit- 2.
2014	Installed compressor of Atlas Copco to enhance the production at Unit –2
2015	Purchased industrial Land of 28300 sq feet in phase – I , IDA for further expansion of blow molding capacity by setting up Unit – 3
2016	Aluminium foil wad fixing machine along with a new 25 TR capacity air compressor of Atlas Copco compressor were installed in Unit –1
2017	Company was awarded NSIC – CRISIL RATING of “CRISIL MSE- II” which indicates high credit worthiness of our company in relation to other MSEs
2017	Substantial no. of moulds were added during the year. Another Air compressor of 25 TR of Atlas Copco was installed at Unit 2 as a standby arrangement for continuous production.
2017	Built over an area of 23,000 sq.ft in Unit-3 commenced in Nov ‘ 2017
2018	Company constitution changed from Private Limited to Public Limited and the company name has been changed to Tejaswi Packaging Limited
2018	Our Company was awarded NSIC – CRISIL RATING of “CRISIL MSE-I” which indicates highest credit worthiness of our company in relation to other MSEs

Corporate Profile of our Company

For details regarding the description of our activities, including details of our business, geographical presence, growth, competition, products, technology, and managerial competence, please see sections entitled “Our Business”, “Our Management” and “Industry Overview” beginning on pages 79, 101 and 66 respectively.

Revaluation of Assets

Our Company has not revalued any of its assets till date.

Holding Company of our Company

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

Subsidiary & Group Company of our Company

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

Injunctions or Restraining Orders

There are no injunctions/ restraining orders that have been passed against our Company as on the date of filling of this Draft Prospectus.

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 as on the date of this Draft Prospectus.

Capital raising activities through Equity or Debt

For details of the equity capital raised by our Company, please refer to the chapter titled “*Capital Structure*” beginning on page 46 of this Draft Prospectus. Our Company has not carried out any debt issuances or raised any long term debt except as describe in financial statements since incorporation till date of filling of this Draft Prospectus. .

Changes in the Management

For details of change in Management Please refer to “*Our Management*” on page 101 of this Draft Prospectus.

Shareholders Agreements

Our Company has not entered into any shareholders agreement as on date of filing of this 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 till date. As on the date of this 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 this 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, as on the date of filling of this Draft Prospectus.

Strategic Partner

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

Financial Partner

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

Time and Cost overruns

Our Company has implemented projects but has not, experienced any time or cost overrun in relation thereto.

Guarantees provided by our Promoters

Our Promoters have given guarantees to bank that are outstanding as on the date of filing of this Draft Prospectus. For details of Guarantees provided by our Promoters Please refer to “*Risk Factors*” on page 14 of this Draft Prospectus

OUR MANAGEMENT

Board of Directors

As per the Articles of Association, our Company is required to have not less than three (3) Directors and not more than Fifteen (15) Directors. Our Company currently has Six (6) Directors on Board. The following table sets forth current details regarding our Board of Directors:

Name, Father's Name, Address, Occupation, Nationality, Term & DIN	Age	Other Directorships
Mrs. ALAPATY ARUNA Father's Name: Late B. Sobbanna. Designation: Executive Director Date of Appointment: February 16,1996 Term: Non Rotational as she is a first director of the company since inception. Address: 22/3RT MIGH,Vijayanagar Colony Hyderabad -500057 Occupation: Business PAN: AJQPA1487N Nationality: Indian DIN: 01842115	58	Nil
Mr. ALAPATY HARI HARA PRASAD Fathers Name: Late Dr.A Appa Rao Designation: Chairman & Managing Director Date of Appointment: February 16,1996,Reappointed on April 02, 2018 and Designated as a Chairman & Managing Director of the Company. Term: 5 years of One Term Address: 22/3RT MIGH,Vijayanagar Colony Hyderabad -500057 Occupation: Business PAN: AEQPA9313Q Nationality: Indian DIN: 01842130	62	NIL

Mr. ALAPATI KRANTHI TEJA Fathers Name: Alapaty Hari Hara Prasad Designation: Non-Executive Director Date of Appointment: September 30,2017 Term: Retire By Rotation Address: 10-3-327/1/A- 22/3RT, MIGH, Vijaya Nagar Colony, Hyderabad -500 057. Occupation: Business PAN: ATCPA3268K Nationality: Indian DIN: 07468404	30	Feyn Foods (OPC) Private Limited
Mr. ANANTHA NARAYANA KATAKAM Father's Name: Mr. Sugrivulu Katakam Designation: Independent Director Date of Appointment: April 02,2018 Term: 5 Years from the date of appointment Address: 8-2-547/1/2/b, Flat Number 302, Idea Heavens, Road Number 7, Opp. Lane to Ratnadeep Super Market, Banjara Hills, Hyderabad 500 034 Occupation: Business PAN: AAYPK8931G Nationality: Indian DIN: 08061968	55	NIL
Mr. GUDIPATI THIRUPATHI REDDY Father's Name: Mr. Prabhu Reddy Gudipati Designation: Independent Director Date of Appointment: April 02,2018 Term: 5 Years from the date of appointment Address: Door No 584, Road No. 12,Banjara Hills,,Hyderabad -500 034. Occupation: Business PAN: ACGPG3408A Nationality: Indian	53	Star Fertilizers Private Limited

DIN: 02594817		
Mr. VENKAT PRASAD CHIRUMAMILLA Father's Name: Mr. Nagabhushanam Chirumamilla Designation: Independent Director Date of Appointment: April 02,2018 Term: 5 Years from the date of Appointment Address: 8-2-293/82/BE/90, Navanirman Nagar, Near Jubilee Hills Public School, Jubilee Hills Hyderabad 500 033 Occupation: Business PAN: ABQPC7446M Nationality: Indian DIN: 08075502	64	NIL

Note:

As on the date of this Draft Prospectus:

- 1) None of the above mentioned Directors are on the RBI List of willful defaulters.
- 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 this 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.

Brief Biographies of our Directors

Mr. Alapaty Hari Hara Prasad aged 62 years. He has completed his graduation in Bachelor of Science in Agriculture from Andhra Pradesh Agricultural University. He is a Chairman & Managing Director of the Company has rich experience in the field of fertilizers and agrochemical units. He has more than 20 years of marketing experience in the field of fertilizers and agrochemicals having worked at a senior management level with multinational companies such as Sandoz (India) Ltd and Indian public sector enterprises viz. Madras Fertilizers Ltd and Paradeep Phosphates Ltd. He set up and has led Tejaswi Packaging to become a leading supplier of rigid plastic containers to several well-known agrochemical and veterinary companies.

Mrs. Alapaty Aruna aged 58 years. She has completed graduation from A P Agricultural University in the year 1981. She worked as Branch Manager in Saraswati Gramina Bank (Subsidiary of State Bank of India) during 1982-1983. Presently she is a Woman Director of the Company. She is looking after Human Resource Activities and other administrative activities and also arranging family functions with the employees and their family members.

Mr. Alapati Kranthi Teja aged 30 years. He is a bachelor of technology in computer science from BITS Pilani. In the year 2011-2013 he did masters in finance (PGDBM) from IIM-Kolkata. Later on he joined Tata Administrative Service and worked with Tata Chemicals for three years and thereafter he started his own company “M/s Feyn Foods (OPC) Pvt. Ltd” having registered office at Hyderabad.

Mr. Anantha Narayana Katakam aged 55 years. He is a commerce graduate and worked as Remiser i.e Sub-Broker at Hyderabad Stock Exchange from 1989-1998. Presently he is working as a sub-broker in M/s Saaketa Consultants Ltd, a member of NSE.

Mr. Gudipati Triupathi Reddy aged 53 years. He is a graduate in agriculture from A P Agricultural University. He worked with M/s Indofil Chemicals Ltd between 1982-1984 and later on he worked with Madras Fertilizers And Chemicals Ltd (Govt of India Undertaking). Thereafter, he worked as a State In charge for OSWAL Fertilizers Ltd and presently he is the Director of “Star Fertilizers Private Limited”.

Mr. Venkata Prasad Chirumamilla aged 64 years. He is a graduate in Agriculture from Warora Agricultural University, Maharashtra. He worked as a Assistant Manager in AP State Seeds Development Corporation which is AP Govt Undertaking. Presently, he has his own firm namely “Partitas Seeds” which deals with marketing of Seeds.

Borrowing Powers of the Board

The Articles, subject to the provisions of Section 180(1)(c) of the Companies Act, 2013 authorize the Board to raise, borrow or secure the payment of any sum or sums of money for the purposes of our Company. The shareholders have, pursuant to a resolution passed at the Extraordinary General Meeting held on April 09, 2018 in accordance with Section 180(1)(c) of the Companies Act, 2013 authorized the Board to borrow monies from time to time, such sums of money even though the money so borrowed together with money already borrowed exceeds the aggregate of the paid-up capital and free reserves of the Company provided, however, that the total borrowing (apart from the temporary loans taken from the company's bankers) shall not exceed 100 Crore.

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 Managerial 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 this Draft Prospectus, whose shares have been or were suspended from being traded on the BSE or the NSE, during the term of their directorship in 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

Mrs. Alapaty Aruna is a wife of Mr. Alapaty Hari Hara Prasad and Mr. Alapati Kranthi Teja is a son of Mr. Alapaty Hari Hara Prasad and hence they are relatives within the meaning of section 2(77) of the Companies Act, 2013.

Remuneration to our Directors

Details of remuneration paid to our Directors during fiscal 2017 are set for the in the table below:

Sr. No.	Name of Director	Remuneration (₹ in Lakhs)
1)	Mr. Alapaty Hari Hara Prasad	₹ 9.30
2)	Mrs. Alapaty Aruna	₹ 5.10

Terms of Appointment of our Directors

Executive Directors

Name	Mr. Alapaty Hari Hara Prasad
Designation	Chairman & Managing Director
Term	5 years
Remuneration	₹ 9.30 Lakhs

Name	Mrs. Alapaty Aruna
Designation	Executive Director
Term	Non Rotational as She is a first director of the company since its inception.
Remuneration	₹ 5.10 Lakhs

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

Currently, non-executive Directors are not being paid any remuneration apart from payment of sitting fees. We also confirm that no remuneration being paid to Independent Directors apart from payment of sitting fees.

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
Mr. Alapaty Hari Hara Prasad	30,84,600	75.23%
Mrs. Alapaty Aruna	5,15,000	12.56%
Mr. Alapati Kranthi Teja	100	Negligible

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.

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

There is a change in our Board of Directors during last three years and the details are as under:

Particulars	Designation	Date of Appointment	Reasons
Mr. Alapati Kranthi Teja	Non-Executive Director	September 30,2017	To Broad base the Board
Mr. Anantha Narayana Katakam	Non-Executive Director and Independent Director	April 02,2018	To Broad base the Board
Mr. Gudipati Thirupathi Reddy	Non-Executive Director and Independent Director	April 02,2018	To Broad base the Board
Mr. Venkat Prasad Chirumamilla	Non-Executive Director and Independent Director	April 02,2018	To Broad base the Board

Interest of Directors

Our Directors may be deemed to be interested to the extent of remuneration paid to them for services rendered as a Director of our Company and reimbursement of expenses, if any, payable to them. For details of remuneration paid to our Directors, please refer “*Remuneration to 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 page 120 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.

Corporate Governance

The provisions of the Listing Regulations with respect to corporate governance will also be applicable to us immediately upon the listing of our Equity Shares with the Stock Exchange. We are in compliance with the requirements of the applicable regulations, including the SEBI (LODR) Regulations, the SEBI (ICDR) Regulations and the Companies Act, 2013 in respect of corporate governance including constitution of the Board and committees thereof.

Our Board has been constituted in compliance with the Companies Act and SEBI (LODR) Regulations, to the extent applicable. Our Board functions either as a full board or through various committees constituted to oversee specific functions. In compliance with the requirements of the Companies Act and the SEBI (LODR) Regulations, to the extent applicable our Board of Directors consists of Six [6] Directors.

Committees of our Board

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

- 1.) Audit Committee;
- 2.) Nomination and Remuneration Committee;
- 3.) Stakeholders’ Relationship Committee;

Details of each of these committees are as follows:

1.) Audit Committee;

Our Audit Committee was constituted pursuant to resolution of our Board dated April 02, 2018. The Audit Committee comprises of the following:

NAME	CATEGORY	DESIGNATION
Mr. Anantha Narayana Katakam	Independent Director	Chairman
Mr. Gudipati Thirupathi Reddy	Independent Director	Member
Mr. Alapaty Hari Hara Prasad	Chairman & Managing Director	Member
Ms. Ekta Sharma	Company Secretary	Secretary

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) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule II Part C SEBI (LODR) Regulations, 2015

The role of the audit committee shall include the following:

- (a.) 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;
- (b.) recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- (c.) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (d.) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - (i.) 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;
 - (ii.) changes, if any, in accounting policies and practices and reasons for the same;
 - (iii.) major accounting entries involving estimates based on the exercise of judgment by management;
 - (iv.) significant adjustments made in the financial statements arising out of audit findings;
 - (v.) compliance with listing and other legal requirements relating to financial statements;
 - (vi.) disclosure of any related party transactions;
 - (vii.) modified opinion(s) in the draft audit report;
- (e.) reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- (f.) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / 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;
- (g.) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (h.) approval or any subsequent modification of transactions of the listed entity with related parties;
- (i.) scrutiny of inter-corporate loans and investments;

- (j.) valuation of undertakings or assets of the listed entity, wherever it is necessary;
- (k.) evaluation of internal financial controls and risk management systems;
- (l.) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (m.) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (n.) discussion with internal auditors of any significant findings and follow up there on;
- (o.) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- (p.) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (q.) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (r.) to review the functioning of the whistle blower mechanism;
- (s.) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- (t.) 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:

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

2.) Nomination and Remuneration Committee

The Nomination and Remuneration committee was Re-constituted by a resolution of our Board dated April 02, 2018. The constitution of the Nomination and Remuneration committee presently is as follows:

NAME	CATEGORY	DESIGNATION
Mr. Anantha Narayana Katakam	Independent and Non-Executive Director	Chairman
Mr. Venkat Prasad Chirumamilla	Independent and Non-Executive Director	Member
Mr. Alapati Kranthi Teja	Non-Executive Director	Member
Ms. Ekta Sharma	Company Secretary	Secretary

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:

- (a.) 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;
- (b.) Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- (c.) Devising a policy on diversity of board of directors;
- (d.) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- (e.) 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.

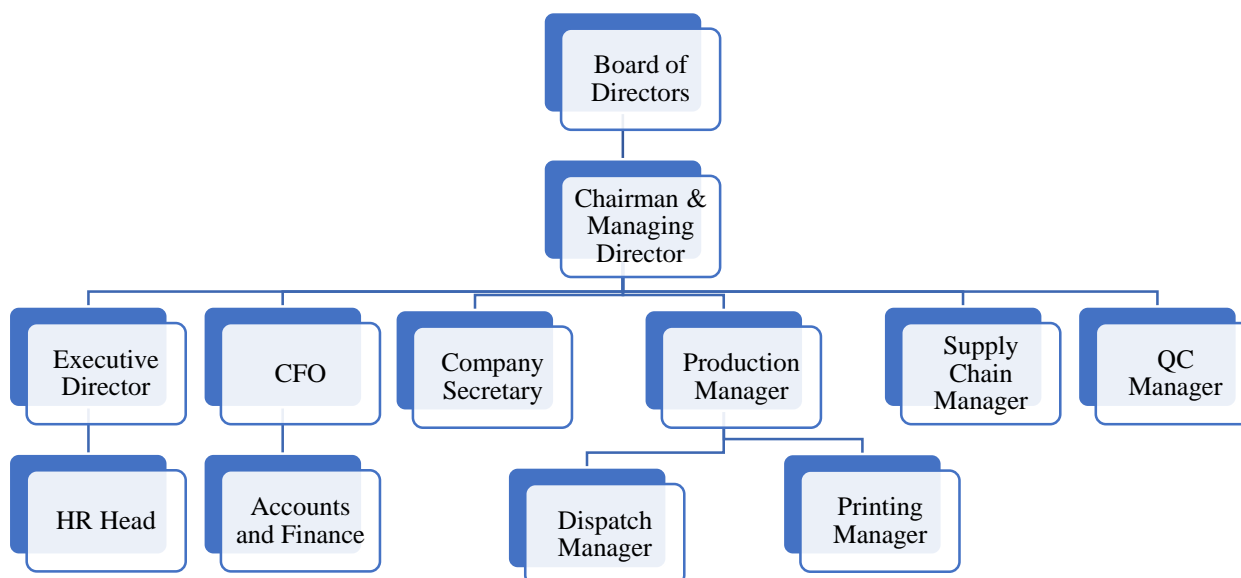
3.) Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee was constituted by a resolution of our Board dated April 02, 2018. The constitution of the Stakeholders' Relationship committee is as follows:

NAME	CATEGORY	DESIGNATION
Mr. Anantha Narayana Katakam	Independent Director	Chairman
Mr. Alapaty Hari Hara Prasad	Chairman & Managing Director	Member
Mr. Alapati Kranthi Teja	Non-Executive Director	Member
Ms. Ekta Sharma	Company Secretary	Secretary

This Committee is responsible for the redressal of 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.

MANAGEMENT ORGANIZATION 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.

In addition to our Chairman and Managing Director Mr. Alapaty Hari Hara Prasad, following key personnel assist the management of our Company:

Brief Profile of Key Managerial Personnel:

Mr. Alapaty Hari Hara Prasad aged 62 years. He has completed his Graduation requirements for the Degree of Bachelor of Science in Agriculture from Andhra Pradesh Agricultural University. He is a Chairman & Managing Director of the Company has rich experience in the field of fertilizers and agrochemical units. He has more than 20 years of marketing experience in the field of fertilizers and agrochemicals having worked at a senior management level with multinational companies such as Sandoz (India) Ltd and Indian public sector enterprises viz. Madras Fertilizers Ltd and Paradeep Phosphates Ltd. He set up and has led Tejaswi Packaging to become a leading supplier of rigid plastic containers to several well-known agrochemical and veterinary companies.

Mrs. D Sunitha aged 39 years. She is a Chief Financial Officer of our Company w.e.f April 02, 2018 and already engaged with us since last 16 years and having Education Master in Commerce from Osmania University, Hyderabad. She looks after day to day Accounting System, Corporate Finance and Financial Projections of our Company.

Mrs. Alapaty Aruna aged 58 years. She has completed graduation from A P Agricultural University in the year 1981. She worked as Branch Manager in Saraswati Gramina Bank (Subsidiary of State Bank of India) during 1982-1983. Presently she is a Woman Director of the Company. She is looking after Human Resource Activities and other administrative activities and also arranging family functions with the employees and their family members.

Ms. Ekta Sharma aged 28 years is a Company Secretary and Compliance officer of the Company. She joined the

Company w.e.f April 02, 2018. She is graduate in Commerce from Osmania University and has qualified as Company Secretary in the year 2017 and she looks Compliance and Secretarial part of the Company.

Status of Key Managerial Personnel

All our Key managerial personnel are permanent employees of our Company.

Family Relationship between Key Managerial Personnel

As on date, none of the key managerial personnel is having family relation with each other.

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

Except Mr. Alapaty Hari Hara Prasad, Chairman and Managing Director and Mrs. Alapaty Aruna, Director of the Company holding 30,84,600 Equity Shares and 5,15,000 Equity Shares, as on date, none of the key managerial persons are holding Equity Shares of our Company.

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

Except Sri. Alapaty Hari Hara Prasad, Chairman and Managing Director and Smt. Alapaty Aruna, Director, none of the Key Managerial Personnel of our Company 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

For details of changes regarding our Promoter and Managing Director during last three years please refer chapter titled “Our Management” on page 101 of this Draft Prospectus.

There is change in the key managerial personnel of our Company during the last three (3) years

(₹ in Lakhs)

Name of the Company Secretary	Date of Appointment	Annual Remuneration
Ekta Sharma	April 02, 2018	3.60
Ms. D Sunitha	April 02, 2018	4.08

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 “*Business Overview*” beginning on page 79 of this Draft Prospectus.

OUR PROMOTERS/PROMOTER GROUP

The Promoters of our Company are:

- 1.) Sri. Alapaty Hari Hara Prasad
- 2.) Smt. Alapaty Aruna
- 3.) Sri Alapati Siva Sankara Prasad
- 4.) Sri. Alapati Kranthi Teja

1.) Sri. Alapaty Hari Hara Prasad



Sri. Alapaty Hari Hara Prasad is aged 62 years. He has completed his graduation in Agricultural from Andhra University. He is a Chairman & Managing Director of the Company and has rich experience in the field of fertilizers and agrochemical. He has more than 20 years of marketing experience in the field of fertilizers and agrochemicals having worked at a senior management level with multinational companies such as Sandoz (India) Ltd and Indian public sector enterprises viz. Madras Fertilizers Ltd and Paradeep Phosphates Ltd. He set up and has led Tejaswi Packaging to become a leading supplier of rigid plastic containers to several well-known agrochemical and veterinary companies.

Address	22/3RT MIGH, Vijayanagar Colony, Hyderabad- 500 057, Telangana
Occupation	Business
Permanent Account Number	AEQPA9313Q
Aadhar Card Number	977217333346

2.) Smt. Alapaty Aruna



Smt. Alapaty Aruna is aged 58 years. Presently she is a Women Director of Our Company and graduated from A P Agricultural University in the year 1981. She worked as Branch Manager in Saraswati Gramina Bank (Subsidiary of State Bank of India) during 1982-1983. She is looking after Human Resource Activities and other administrative activities and also arranging family functions with the employees and their family members.

Address	22/3RT MIGH, Vijayanagar Colony, Hyderabad, Telangana-500 057
Occupation	Business
Permanent Account Number	AJQPA1487N
Aadhar Card Number	463955327993

3.) Sri. Alapati Siva Sankara Prasad




Sri. Alapati Siva Sankara Prasad, aged 58 years is a Computer Professional and he is a proprietor and owner of Siva Computer Centre which is the private accounting agency for Telangana State Electricity Board since last 30 years.

Address	10-3-327/1/A- 22/3RT, MIGH, Vijaya Nagar Colony, Hyderabad, Telangana- 500 057
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Occupation	Business
Permanent Account Number	ACDPA8584E
Aadhar Card Number	673459768391

4.) Sri. Alapati Kranthi Teja

	Sri. Alapati Kranthi is aged 30 years. He is a Bachelor of Technology in Computer Science from BITS Pilani. In the year 2011-2013 he did masters in finance (PGDBM) from IIM-Kolkata. Later on, he joined Tata Administrative Service and worked with Tata Chemicals for three years and thereafter he started his own company “M/s Feyn Foods (OPC) Pvt. Ltd” having registered office at Hyderabad.
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Address	10-3-327/1/A- 22/3RT, MIGH, Vijaya Nagar Colony, Hyderabad, Telangana-500 057
Occupation	Business
Permanent Account Number	ATCPA3268K
Aadhar Card Number	7116-6464-5907

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 Emerge on NSE, where the equity shares of our Company are proposed to be listed at the time of submission of this Draft Prospectus.

Common Pursuits of our Promoters

None of our Promoters are engaged in the similar line of activities.

For more details please refer to our chapter titled “*Our Promoters and Promoter Group*” on page 113 of this Draft Prospectus respectively. 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, please refer sections “*Capital Structure*” and “*Our Management*” on pages 46 and 101 respectively of this Draft Prospectus.

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, 2013, terms of the Articles and their terms of appointment.

Except as stated herein and as stated in “*Annexure- XXII of Related Party Transactions*” appearing under section titled “*Financial Information*” of the Company beginning on page 137 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 made by company to any promoter(s) except those disclosed elsewhere in this Draft Prospectus.

Please refer the chapter titled “*Our Management*”, “*Financial Information*” and “*Capital Structure*” on page nos. 101, 120 and 46 respectively of this Prospectus. Further as on the date of this Draft Prospectus, there is no bonus or profit sharing plan for our Promoters.

For details of legal and regulatory proceedings involving our Promoter, please refer to the section titled “*Outstanding Litigation and Material Developments*” on page 149 of this Draft Prospectus. Our Promoters have not been declared willful defaulters 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 chapter titled “*Our Promoters and Promoter Group*” and “*Group Companies / Entities*” beginning on page 113 & 117 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*” on page 149 of this Draft Prospectus.

Shareholding of the Promoters and Promoter Group in our Company

Except as disclosed in our chapter titled “*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 chapter titled “*Related Party Transactions*” on page 118 of this Prospectus.

Except as stated in “*Related Party Transactions*” on page 118 of this 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

None of the promoter of the company have disassociated in the last three years.

Our Promoter Group

In addition to the Promoters of our Company, the following individuals and entities form a part of the Promoter Group.

1.) 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/Promoter Group	Mrs. Alapaty Aruna	Mr. Alapaty Hari Hara Prasad	Mr. Alapati Kranthi Teja	Mr. Alapati Siva Sankara Prasad
Father	-	-	Mr. Alapaty Hari Hara Prasad	-
Mother	-	Mrs. A Swarna Kumari	Mrs. Alapaty Aruna	Mrs. A Swarna Kumari
Spouse	Mr. Alapaty Hari Hara Prasad	Mrs. Alapaty Aruna	Mrs. Priyanka Pandey	A.Vanaja
Brother(s)	B.Prabhu Prasad	Mr. Alapati Siva Sankara Prasad, Dr. A Sambasiva Rao	Mr. A Ashwin	Dr. A Sambasiva Rao, Mr.Alapaty Hari Hara Prasad
Sister(s)	B.Jyothi	Nil	Nil	Nil
Son	Mr.A Ashwin, Mr.Alapati Kranthi Teja	Mr.A Ashwin, Mr. Alapati Kranthi Teja	Nil	Nil
Daughter(s)	Nil	Nil	Nil	A. Aparna, A. Soumya
Spouse Father	-	-	Mr. Mahesh Pandey	-
Spouse Mother	Mrs. A Swarna Kumari	Late Mrs.B Kamala	Mrs. Usha Pandey	Mrs. V. Sumathi
Spouse Brother(s)	Mr. Alapati Siva Sankara Prasad, Dr. A Sambasiva Rao	B. Prabhu Prasad	Mr. Siddharth Pandey	Mr. V. Yugandhar
Spouse Sister(s)	Nil	B. Jyothi	Mrs. Charu Smita Pandey	Mrs. D. Padma

2.) 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.

No, entities forming part of the Promoter Group.

3.) Payment of benefits to Promoter Group

No payment has been made or benefit given to our Promoter Group in the two years preceding the date of this Draft Prospectus except as mentioned / referred to in this chapter and in the chapter titled “*Our Management*”, “*Financial Information*” and “*Capital Structure*” on page nos. 101, 120 and 46 respectively of this Draft Prospectus.

Group Companies/Entities

Pursuant to the requirement of SEBI ICDR Regulations, the Group Companies includes entities covered under the applicable accounting standards, being AS 18 (as identified under the Restated Financial Statements) and also other entities as considered material by the Board of the Company.

There is no materiality policy with respect to Our Group Entities / company since we do not have any such entity or Company as on the date of this Draft Prospectus.

GROUP ENTITIES

No Group Entities created or acquired or demerged by our promoter or Promoter Group.

Related Party Transactions

For details on related party transactions please refer to '*Financial Statements, as Restated-Annexure- XXII-Restated Statement of Related Parties Transactions*' on page 118 of this Prospectus.

Related Business Transactions within the Group Companies and Significance on the Financial Performance of our Company

For details, please see '*Financial Statements, as restated-Annexure XXII-Restated Statement of Related Parties Transactions*' on page 120 of this Prospectus.

Unsecured Loans extended to our Company, by our Company

For details, please refer to the chapters titled *Financial Statements, as restated – Annexure XXII – Restated Statement of Related Parties Transactions* on page 137.

Common Pursuits amongst the Group Companies with our Company

None

Our Company will adopt the necessary procedures and practices as permitted by law to address any conflict situations as and when it arises.

RELATED PARTY TRANSACTIONS

For details on Related Party Transactions of our Company, please refer to *Annexure-XXII* of Restated Financial Statement under the section titled '*Financial Statements*' beginning on page 120 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 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 financial 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.

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

FINANCIAL STATEMENTS

Independent Auditor's Report on Restated Financial Statements

To
The Board of Directors
Tejaswi Packaging Limited
Plot No. 6A, Phase I, IDA, Cherlapally,
Ranga Reddy Dist., Telangana - 500051

Dear Sirs,

I. We have examined the attached restated summary statement of assets and liabilities of **Tejaswi Packaging Limited (formerly Tejaswi Packaging Private Limited)** and hereinafter referred to as “**the Company**”) as on December 31, 2017, March 31, 2017, 2016, 2015, 2014 and 2013, restated summary statement of profit and loss and restated summary statement of cash flows for the period ended on December 31, 2017 and for the year ended on March 31, 2017, 2016, 2015, 2014 and 2013 (collectively referred to as the “**restated summary statements**” or “**restated financial statements**”) annexed to this report and initialed by us for identification purposes. These restated financial statements have been prepared by the management of the Company and approved by the Board of Directors of the Company in connection with the Initial Public Offering (IPO) on Emerge Platform of National Stock Exchange of India Limited (“NSE”).

II. These restated summary statements have been prepared in accordance with the requirements of:

- (i) sub-clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 (“the Act”) read with Rule 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules 2014;
- (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009 (“**ICDR Regulations**”) and related amendments/clarifications from time to time issued by the Securities and Exchange Board of India (“**SEBI**”).

The preparation of the Restated Financial Information [including the interim financial information mentioned in paragraph 8 below] is the responsibility of the Management of the Company for the purpose set out in paragraph 14 below. The Management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Management is also responsible for identifying and ensuring that the Company complies with the Rules and ICDR Regulations.

III. We have examined such restated financial statements taking into consideration:

- (i) The terms of reference and terms of our engagements agreed upon with you in accordance with our engagements letter dated 1st March 2018 in connection with the Draft Prospectus/ Prospectus being issued by the Company for its proposed Initial Public Offering of equity shares in Emerge Platform of Stock Exchange (“**IPO**” or “**SME IPO**”); and
 - (ii) The Guidance Note on Reports in Company Prospectus (Revised) issued by the Institute of Chartered Accountants of India (“**Guidance Note**”).
4. These restated financial statements of the Company have been extracted by the management from the audited financial statements of the Company for the period ended on December 31, 2017 and for the financial years ended March 31 2017, 2016, 2015, 2014 and 2013.
5. In accordance with the requirements of Section 26 of Part I of Chapter III of the Act read with, Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, the ICDR Regulations and the Guidance Note, we report that:

1. The “**restated statement of asset and liabilities**” of the Company as on December 31, 2017, March 31, 2017, 2016, 2015, 2014 and 2013 examined by us, as set out in **Annexure I** to this report read with significant accounting policies in **Annexure IV** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.
- (ii) The “**restated statement of profit and loss**” of the Company for the period ended on December 31, 2017 and for the financial year ended on March 31, 2017, 2016, 2015, 2014 and 2013 examined by us, as set out in **Annexure II** to this report read with significant accounting policies in **Annexure IV** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.
2. The “**restated statement of cash flows**” of the Company for the period ended on December 31, 2017 and for the financial year ended on March 31, 2017, 2016, 2015, 2014 and 2013 examined by us, as set out in **Annexure III** to this report read with significant accounting policies in **Annexure IV** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to restated summary statements to this report.
6. Based on the above and according to the information and explanations given to us, we are of the opinion that the restated financial statements have been prepared:
 - a) Using consistent accounting policies for all the reporting periods.
 - b) Adjustments for prior period and other material amounts in the respective financial years to which they relate.
 - c) There are no extra-ordinary items that need to be disclosed separately in the accounts and requiring adjustments.
 - d) There are no audit qualifications in the audit reports issued by the statutory auditor for the period ended on December 31, 2017 and for the financial year ended March 31, 2017, 2016, 2015, 2014 and 2013 which would require adjustments in this restated financial statements of the Company.
7. Audit for the period ended on December 31, 2017 was conducted by us, Karvy & Co., Chartered Accountants and for the financial year ended March 31, 2017, 2016, 2015, 2014 and 2013 by P. Ramana Rao & Co., Chartered Accountants which have been approved by Board of Directors at their meetings held on 8th March, 2018, 26th August 2017, 26th August 2016, 28th August 2015, 1st September 2014 and 29th August 2013 respectively. The financial report included for these periods is based solely on the reports submitted by them.
8. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company for the period ended on December 31, 2017 and for the financial year ended on March 31, 2017, 2016, 2015, 2014 and 2013 proposed to be included in the Draft Prospectus / Prospectus (“**Offer Document**”).

Annexures to restated financial statements of the Company:-

1. Summary statement of assets and liabilities, as restated as appearing in ANNEXURE I;
2. Summary statement of profit and loss, as restated as appearing in ANNEXURE II;
3. Summary statement of cash flow as restated as appearing in ANNEXURE III;
4. Significant accounting policies as restated as appearing in ANNEXURE IV;
5. Details of share capital as restated as appearing in ANNEXURE V to this report;
6. Details of reserves and surplus as restated as appearing in ANNEXURE VI to this report;
7. Details of borrowings (long-term and short-term) as restated as appearing in ANNEXURE VII to this report;
8. Details of deferred tax asset/liability as restated as per ANNEXURE VIII to this report;
9. Details of provisions as restated as appearing in ANNEXURE IX to this report;
10. Details of trade payables as restated as appearing in ANNEXURE X to this report;
11. Details of other current liabilities as restated as appearing in ANNEXURE XI to this report;
12. Details of property, plant and equipment as restated as appearing in ANNEXURE XII to this report;
13. Details of investments (non-current and current) as restated as appearing in ANNEXURE XIII to this report;
14. Details of loans & advances (long-term and short-term) as restated as appearing in ANNEXURE XIV to this report;

15. Details of inventories as restated as appearing in ANNEXURE XV to this report;
 16. Details of trade receivables as restated as appearing in ANNEXURE XVI to this report;
 17. Details of cash & cash equivalents as restated as appearing in ANNEXURE XVII to this report;
 18. Details of other current assets as restated as appearing in ANNEXURE XVIII to this report;
 19. Details of revenue from operations as restated as appearing in ANNEXURE XIX to this report;
 20. Details of other income as restated as appearing in ANNEXURE XX to this report;
 21. Details of expenses as restated as appearing in ANNEXURE XXI to this report;
 22. Details of related party transactions as restated as appearing in ANNEXURE XXII to this report;
 23. Details of contingent liabilities as restated as appearing in ANNEXURE XXIII to this report;
 24. Summary of significant accounting ratios as restated as appearing in ANNEXURE XXIV to this report;
 25. Capitalization Statement as at December 31, 2017 as restated as appearing in ANNEXURE XXV to this report;
 26. Statement of tax shelters as restated as appearing in ANNEXURE XXVI to this report;
 27. Statement of Reconciliation of restated profit with profit as per audited balance sheets as appearing in ANNEXURE XXVII to this report;
 28. Statement of financial indebtedness as on December 31, 2017 as restated as appearing in ANNEXURE XXVIII to this report;
9. We, Karvy & Co., Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India ("ICAI") and hold a valid peer review certificate issued by the "Peer Review Board" of the ICAI.
 10. We have carried out re-audit of the financial statements for the year ended on March 31, 2017 as required by SEBI regulations. We have not audited any financial statements of the Company as of any date or for any period subsequent to December 31, 2017.
 11. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other firm of chartered accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.
 12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
 13. In our opinion, the above financial information contained in Annexure I to XXVIII of this report read with the respective significant accounting policies and notes to restated summary statements as set out in Annexure IV are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations, Engagement Letter and Guidance Note.
 14. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the SME IPO. Our report should not be used, referred to or adjusted for any other purpose except with our consent in writing.

For KARVY & CO.

Chartered Accountants

ICAI Firm Registration No: 001757S

(AJAYKUMAR KOSARAJU)

Partner

Membership No. 021989

Place: Hyderabad

Date: May 10, 2018

Annexure-I
Statement of Assets and Liabilities, as Restated

(₹ In Lakhs)

S.No.	Particulars	As at December 31, 2017	As at March 31,				
			2017	2016	2015	2014	2013
I.	EQUITY AND LIABILITIES						
1	Shareholders' Funds						
	(a) Share capital	410.00	41.00	41.00	41.00	41.00	41.00
	(b) Reserves and surplus	459.34	658.22	548.58	444.92	280.54	287.21
2	Non-current liabilities						
	(a) Long-term borrowings	7.12	106.76	7.72	8.58	75.51	91.54
	(b) Deferred tax liabilities (net)	0.78	0.12	-	-	-	-
	(c) Long-term provisions	23.32	-	-	-	-	-
3	Current liabilities						
	(a) Short-term borrowings	228.31	135.47	183.96	97.13	46.34	131.20
	(b) Trade payables	1.20	3.63	7.73	7.69	6.90	1.18
	(c) Other current liabilities	47.53	8.41	16.27	13.60	139.15	74.85
	(d) Short-term provisions	24.55	20.33	15.05	49.66	9.06	8.89
	TOTAL	1,202.17	973.94	820.30	662.59	598.50	635.86
I.	ASSETS						
1	Non-current assets						
	(a) Property, plant and equipment						
	i. Tangible assets	425.70	407.92	397.87	162.90	201.38	134.10
	ii. Capital work-in-progress	43.03	-	-	-	-	64.07
	(b) Non-current investments	0.01	0.01	0.01	0.01	0.01	0.01
	(c) Deferred tax assets (net)	-	-	4.17	8.51	9.46	28.15
	(d) Long-term loans and advances	20.98	21.19	20.22	17.90	10.13	8.54
2	Current assets						
	(a) Current investmens	-	70.96	-	57.19	-	-
	(b) Inventories	22.28	65.39	73.85	54.94	44.00	30.80
	(c) Trade receivables	656.12	383.04	305.78	344.24	316.59	300.67
	(d) Cash and cash equivalents	2.58	5.03	1.16	1.11	1.96	55.38
	(e) Short-term loans and advances	30.88	20.21	17.22	15.79	14.97	14.15
	(f) Other current assets	0.58	0.19	-	-	-	-
	TOTAL	1,202.17	973.94	820.30	662.59	598.50	635.86

Annexure-II
Statement of Profit & Loss, as Restated

(₹ In Lakhs)

S.No.	Particulars	As at December 31, 2017	As at March 31,				
			2017	2016	2015	2014	2013
I	Revenue from operations	1139.69	1236.35	1127.72	1194.81	1075.75	958.75
II	Other Income	64.47	24.79	26.00	168.30	12.03	9.55
III	Total Revenue (I+II)	1204.17	1261.14	1153.72	1363.11	1087.78	968.30
IV	Expenditure						
	Cost of materials consumed	619.67	718.02	661.99	807.35	719.69	588.55
	(Increase)/ decrease in inventories of work-in- progress and finished goods	1.04	(0.54)	0.10	5.21	(5.40)	5.29
	Manufacturing expenses	132.17	150.75	138.27	144.30	146.32	138.80
	Employee benefits expense	153.43	146.32	132.39	111.30	105.96	106.54
	Finance costs	27.07	37.67	21.25	28.58	41.41	31.89
	Depreciation expense	12.07	13.23	12.21	20.30	36.58	30.70
	Other expenses	23.26	32.55	30.79	32.53	23.63	19.85
	Total Expenses (IV)	968.69	1,097.99	997.00	1,149.56	1,068.18	921.63
V	Profit before exceptional and extraordinary items and tax (III - IV)	235.47	163.15	156.72	213.55	19.60	46.67
VI	Exceptional items	-	-	-	-	-	-
VII	Profit before extraordinary items and tax (V - VI)	235.47	163.15	156.72	213.55	19.60	46.67
VIII	Extraordinary items	-	-	-	-	-	-
IX	Profit before tax (VII- VIII)	235.47	163.15	156.72	213.55	19.60	46.67
X	Tax expense:						
	(1) Current tax	64.69	49.21	48.72	48.22	7.58	16.89
	(2) Deferred tax	0.67	4.29	4.34	0.95	18.69	(20.58)
		65.36	53.50	53.06	49.17	26.27	(3.69)
XI	Profit (Loss) for the period (IX - X)	170.11	109.65	103.66	164.38	(6.67)	50.36

ANNEXURE-III
Statement of Cash Flows, As Restated

(₹ In Lakhs)

S.No.	Particulars	As at December 31, 2017	As at March 31,				
			2017	2016	2015	2014	2013
A	CASH FLOW FROM OPERATING ACTIVITIES						
	Net Profit Before Tax	235.47	163.15	156.72	213.55	19.60	46.67
	Adjustments for:						
	Depreciation	12.07	13.23	12.21	20.30	36.58	30.70
	Interest Expenses	26.92	35.81	19.11	26.08	38.95	30.70
	Loss/(Profit) on Sale of Investments	(49.44)	(7.44)	(13.19)	(5.62)	-	-
	Loss/(Profit) on Sale of Property, Plant and Equipment	-	-	-	(148.54)	-	-
	Dividend Income	(0.56)	-	(0.53)	(0.25)	-	-
	Interest Income	(0.89)	(0.89)	(0.16)	-	-	-
	Provision for Gratuity	23.32	-	-	-	-	-
	Operating Profit before Working Capital Changes	246.89	203.87	174.17	105.51	95.13	108.07
	Adjustments for:						
	Decrease/(Increase) in Trade Receivables	(273.08)	(77.26)	38.46	(27.65)	(15.92)	(83.58)
	Decrease/(Increase) in Inventories	43.11	8.46	(18.92)	(10.94)	(13.20)	12.07
	Decrease/(Increase) in Short-term loans and advances	(10.67)	(2.99)	(1.42)	(0.82)	(0.82)	(3.46)
	Decrease/(Increase) in Long-term loans and advances	0.21	(0.97)	(2.33)	(7.77)	(1.59)	(0.58)
	Decrease/(Increase) in Other Current Assets	(0.40)	-	-	-	-	-
	Increase/(Decrease) in Trade Payables	(2.44)	(4.10)	0.04	0.79	5.71	(4.32)
	Increase/(Decrease) in Other Current Liabilities	39.12	(7.85)	2.66	(125.55)	64.30	21.73
	Cash generated from Operations	42.76	119.16	192.67	-66.42	133.62	49.92
	Less: Income Tax Paid	(60.46)	(43.93)	(83.33)	(7.62)	(7.41)	(17.40)
	Net Cash flow from Operating Activities (A)	(17.71)	75.23	109.33	(74.04)	126.21	32.52
B	CASH FLOW FROM INVESTING ACTIVITIES						
	Payment for Purchase of Property, Plant and Equipment	(72.88)	(23.28)	(247.19)	(14.40)	(39.80)	(29.41)
	Proceeds from Sale of Property, Plant and Equipment	-	-	-	181.13	-	-
	Proceeds from Sale of Current Investments	120.40	47.15	78.23	41.93	-	-
	Payment for Purchase of Current Investments	-	(110.85)	(7.85)	(93.51)	-	-
	Interest received	0.89	0.89	0.16	-	-	-
	Dividend received	0.56	-	0.53	0.25	-	-
	Net Cash used in Investing Activities (B)	48.97	(86.09)	(176.13)	115.41	(39.80)	(29.41)
C	CASH FLOW FROM FINANCING ACTIVITIES						
	Proceeds/(Repayment) of Long-term Borrowings	(99.63)	99.03	(0.86)	(66.93)	(16.02)	8.73
	Proceeds/(Repayment) of Short-term Borrowings	92.84	(48.49)	86.82	50.79	(84.86)	73.95
	Interest paid	(26.92)	(35.81)	(19.11)	(26.08)	(38.95)	(30.70)
	Net Cash used in Financing Activities (C)	(33.71)	14.73	66.85	(42.22)	(139.83)	51.98
D	Net increase in Cash & Cash Equivalents (A+B+C)	(2.45)	3.87	0.05	(0.85)	(53.41)	55.09
E	Cash and cash equivalents at the beginning of the year	5.03	1.16	1.11	1.96	55.38	0.28

F	Cash and cash equivalents at the end of the year	2.58	5.03	1.16	1.11	1.96	55.38
G	Components of Cash and cash equivalents:						
	Cash-in-hand	0.55	4.68	0.90	0.67	1.92	0.28
	Balance in CD Account	2.03	0.35	0.26	0.44	0.04	55.10
	Total cash and cash equivalents (Refer Annexure XVII)	2.58	5.03	1.16	1.11	1.96	55.38

Annexure IV

SIGNIFICANT ACCOUNTING POLICIES:

1. Corporate Information:

Tejaswi Packaging Limited, a company manufacturing HDPE (plastic) containers has manufacturing facilities located at Unit – I , Plot No. 6 A , Phase – I , IDA , Cherlapally RR Dist & Unit – II , Shed No. 18 having its registered office located at Unit – I , Plot No. 6A , Phase – I , IDA, Cherlapally. The Company has opted for conversion from "Private Limited" to "Limited" and consequently the name of the Company to be changed from "**Tejaswi Packaging Private Limited**" to "**Tejaswi Packaging Limited**" and effective date of such conversion is January 24, 2018.

BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

a. Basis of preparation of Financial Statements:

The restated summary statement of assets and liabilities of the Company as at December 2017, March 2017, 2016, 2015, 2014 and 2013 and the related restated summary statement of profits and loss and restated summary statement of cash flows for the period ended on 31st December, 2017 and year ended 31st March 2017, 2016, 2015, 2014 and 2013 (herein collectively referred to as '(restated summary statements') have been compiled by the management from the audited financial statements of the Company for the period ended on 31st December, 2017 and year ended 31st March 2017, 2016, 2015, 2014 and 2013, approved by the Board of Directors of the Company. The restated summary statements have been prepared to comply in all material respects with the provisions of 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 to 6 of Companies (Prospectus and Allotment of Securities) Rules 2014; The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009 ("ICDR Regulations") and related amendments / clarifications from time to time issued by the Securities and Exchange Board of India ("SEBI") and Guidance note on reports in Companies Prospectus (Revised). The restated summary statements have been prepared specifically for inclusion in the offer document to be filed by the Company with the Emerge Platform of NSE Ltd. in connection with its proposed Initial public offering of equity shares. The financial statements have been recast in the form required by Schedule III of the Companies Act, 2013 for the purpose of restated summary statements.

b. Accounting Conventions

The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with all applicable Accounting Standards Specified under Section 133 of the Companies Act, 2013, read with the Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the Act"). The financial statements have been prepared on going concern basis and accrual method of accounting under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

c. Use of Estimates

The preparation of financial statements requires management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities on the date of financial statements and the reported balances of assets and liabilities on the date of financial statements and the reported amount of income and expenses during the reported year. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to change in these estimates and the difference between actual results and the estimates are recognized in the periods in which the results are known/materialize.

d. Cash flow statement

Cash flows are reported using the indirect method, whereby profit/ (loss) before extraordinary items and tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

e. Property, Plant and Equipment

All items of Property, Plant and Equipment are accounted as per Cost Model defined in AS 10 (Revised) Property Plant and Equipment. In this way items of property, plant and equipment are carried at its cost less any accumulated depreciation and any accumulated impairment losses, if any Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. Borrowing costs directly attributable to acquisition of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

f. Depreciation & Amortization

a) Tangible Assets:

Depreciation on tangible assets for the year ended on March 31, 2014 and 2013 is calculated using the rates prescribed under Schedule XIV of the Companies Act, 1956 under the written down value method. Pursuant to the enactment of Companies Act, 2013 the Company has, effective from April 1, 2014 reworked depreciation on straight line basis over the useful life of fixed assets as stipulated by Schedule II of Companies Act, 2013. The depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

b) Intangible Assets:

Intangible Assets are amortized over a period of 10 years on a straight line basis.

g. Investments:

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

h. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Sale of goods

Revenue from sale of goods is recognized when significant risks and rewards in respect of ownership of the products are transferred to the customer. Exports benefits are recognized on accrual basis.

Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head “other income” in the statement of profit and loss.

Dividend

Dividend income is recognized when the Company’s right to receive dividend is established by the reporting date.

i. Expenses

Expenses are accounted on accrual basis and provisioning is made for all known liabilities.

j. Foreign Currency Transactions

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Exchange difference arising on the settlement of monetary items or on reporting company’s monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or expenses in the year in which they arise. Foreign currency transactions are recorded in the reporting currency by applying the exchange rate as on the date of transaction between the reporting currency and the foreign currency.

k. Borrowing Cost:

Borrowing costs are charged to the Statement of Profit and Loss except that are attributable to the acquisition and construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

l. Employee Benefits

- i) Short term employee benefits are recognized as an expense at the undiscounted amount in profit & loss account for the period in which related services are rendered.
- ii) Defined Contribution plans: Company’s contributions paid/payable during the year towards Provident Fund are recognized in the profit & loss account.

m. Income Tax

Tax expense comprises of current tax and deferred tax. Current tax expense is determined in accordance with the provisions of the Income Tax Act, 1961. It is measured at the amount expected to be paid to / recovered from the tax authorities using the applicable tax rate. Income and expenses for the year has been estimated and average rate of tax has been applied for creating provision for income-tax. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to timing differences between taxable income and accounting income which are capable of reversal in subsequent periods and are measured using relevant enacted tax rates. Average rate of tax has been used to compute deferred tax provision.

n. Lease

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor, are recognized are operating leases. Lease rentals under operating leases are recognized as an expense in the statement of Profit and loss account on a straight-line basis over the lease term.

o. Provisions

- i) The company recognizes provision when there is a present obligation of the enterprise arising from past events, the settlement of which is expected to result in an outflow from the enterprise of resources embodying economic benefits which can be measured only by using a substantial degree of estimation.
- ii) Provision for carrier payments has been provided for in accounts based on management's assessment of the probable outcome with reference to the available information supplemented by experience of similar transactions.

p. Contingent Liabilities

The company recognizes contingent liability for disclosure in notes to accounts, if any of the following conditions fulfilled:

- i) a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise; or
- ii) a present obligation that arises from past events but is not recognized because:
it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation;
or a reliable estimate of the amount of the obligation cannot be made.

q. Impairment of Assets

The Company assesses at each Balance Sheet date as to whether there is any indication that an asset may be impaired. For the purpose of assessing impairment the smallest identifiable group of asset that generates cash flows from continuing use that are largely independent of the cash flows from other assets or group of assets, is considered as a cash generating unit. If any such indication exists an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased.

2) Notes on accounts as restated

- a) The financial statements including financial information have been reworked, regrouped, and reclassified wherever considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in financial statements/ information may not be necessarily same as those appearing in the respective audited financial statements for the relevant period/years.
- b) Few errors in depreciation amounts, though considered immaterial have been adjusted in the respective years to which the error relates so as to present the fairest picture of the carrying values of the property, plant and equipment, and necessary adjustments in tax related matters have been provided as shown in Annexure XXVII to the restated financial information (Statement of reconciliation of restated profit with profit as per audited balance sheets).
- c) Credit and Debit balances of unsecured loans, sundry creditors, sundry Debtors, loans and Advances are subject to confirmation and therefore the effect of the same on profit could not be ascertained.
- d) Appropriate adjustments have been made in the restated financial statements, wherever required by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited financials of the company for all the years and the requirements of the securities and Exchange board of India (Issue of Capital and Disclosure Requirement) Regulations 2009.

Annexure-V

Details of Share Capital:

Particulars	As at December 31, 2017	As at March 31,				
		2017	2016	2015	2014	2013
Authorised						
Equity shares of ₹ 10/- each	700.00	100.00	100.00	100.00	100.00	100.00
Issued						
Equity Shares of ₹ 10/- each	410.00	41.00	41.00	41.00	41.00	41.00
Subscribed and Paid-up						
Equity Shares of ₹ 10/- each fully paid	410.00	41.00	41.00	41.00	41.00	41.00

Reconciliation of the shares outstanding is set out below:

(₹ In Lakhs)

Equity Shares	As at December 31, 2017	As at March 31,				
		2017	2016	2015	2014	2013
Shares outstanding at the beginning of the year	4.10	4.10	4.10	4.10	4.10	4.10
Add: Shares issued during the year (Bonus Shares)	36.90	-	-	-	-	-
Shares outstanding at the end of the year	41.00	4.10	4.10	4.10	4.10	4.10

Name of the Shareholder Holding More Than 5% Equity Shares of the Company.

(In Lakhs)

Name of shareholder	As at December 31, 2017		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013	
	No. of shares	% of holding	No. of shares	% of holding	No. of shares	% of holding	No. of shares	% of holding	No. of shares	% of holding	No. of shares	% of holding
Mr. Alapaty Hari Hara Prasad	30.85	75.23%	3.09	75.24%	3.06	74.51%	3.06	74.51%	3.06	74.51%	3.06	74.51%
Mrs. Alapaty Aruna	5.15	12.56%	0.52	12.56%	0.52	12.56%	0.52	12.56%	0.52	12.56%	0.52	12.56%
Mr. Alapati Siva Sankara Prasad	5.00	12.20%	0.50	12.20%	0.50	12.20%	0.50	12.20%	0.50	12.20%	0.50	12.20%

ANNEXURE VI: STATEMENT OF RESERVES AND SURPLUS, AS RESTATED

(₹ In Lakhs)

Particulars	As at December 31, 2017	As at March 31,				
		2017	2016	2015	2014	2013
(a) General Reserve						
Opening balance	1.63	1.63	1.63	1.63	1.63	1.63
(+) Additions	-	-	-	-	-	-
(-) Utilisations	-	-	-	-	-	-
Closing Balance	1.63	1.63	1.63	1.63	1.63	1.63
(b) Surplus/ (Deficit) in Profit & Loss A/c						
Opening balance	656.59	546.94	443.28	278.90	285.57	235.21
(+) Net Profit For the current year/period	170.11	109.65	103.66	164.38	(6.67)	50.36

(-) Transfer to Reserves	-	-	-	-	-	-
(-) Capitalisation of Profits by issue of bonus shares	(369.00)	-	-	-	-	-
Closing Balance	457.70	656.59	546.94	443.28	278.90	285.57
Total (a+b)	459.34	658.22	548.58	444.92	280.54	287.21

ANNEXURE VII: STATEMENT OF BORROWINGS, AS RESTATED

(₹ In Lakhs)

Particulars	As at December 31, 2017	As at March 31,				
		2017	2016	2015	2014	2013
LONG-TERM BORROWINGS:						
Secured:						
(a) From Banks	-	98.15	-	-	-	1.48
(b) From other parties	-	-	-	-	66.10	72.15
Unsecured:						
(a) Loans & Advances from Directors/ Related Party	-	-	-	-	-	-
(a) Deferred Payment Liability - Sales Tax	7.12	8.60	7.72	8.58	9.42	17.91
Total Long-Term Borrowings	7.12	106.76	7.72	8.58	75.51	91.54
SHORT-TERM BORROWINGS:						
Secured:						
(a) Working Capital Loans						
- From Banks	62.98	135.47	164.46	96.63	-	90.71
Unsecured:						
(a) Loans & Advances from Directors/ Related Party	165.33	-	19.50	0.50	46.34	40.49
Total Short-Term Borrowings	228.31	135.47	183.96	97.13	46.34	131.20

ANNEXURE VIII: STATEMENT OF DEFERRED TAX LIABILITY/ (ASSETS) , AS RESTATED

(₹ In Lakhs)

Particulars	As at December 31, 2017	As at March 31,				
		2017	2016	2015	2014	2013
Deferred Tax Liability						
Related to Fixed Assets	6.79	0.12	-	-	-	-
Related to others	-	-	-	-	-	-
	6.79	0.12	-	-	-	-
Deferred Tax Asset						
Related to Fixed Assets	-	-	4.17	8.51	9.46	28.15
Related to others	6.01	-	-	-	-	-
	6.01	-	4.17	8.51	9.46	28.15
Net Deferred Tax Liability / (Asset)	0.78	0.12	(4.17)	(8.51)	(9.46)	(28.15)

ANNEXURE IX: STATEMENT OF PROVISIONS, AS RESTATED
(₹In Lakhs)

Particulars	As at December 31, 2017	As at March 31				
		2017	2016	2015	2014	2013
LONG-TERM PROVISIONS:						
Provision for Employee Benefits:						
Provision for gratuity	23.32	-	-	-	-	-
Others:	-	-	-	-	-	-
Total Long-Term Provisions	23.32	-	-	-	-	-
SHORT-TERM PROVISIONS:						
Provision for Employee Benefits						
Provision for gratuity	-	-	-	-	-	-
Other Provisions						
Provision for taxation	24.55	20.33	15.05	49.66	9.06	8.89
(net of advance income tax and TDS/TCS)						
Total Short-Term Provisions	24.55	20.33	15.05	49.66	9.06	8.89

ANNEXURE X: STATEMENT OF TRADE PAYABLES, AS RESTATED
(₹In Lakhs)

Particulars	As at December 31, 2017	As at March 31,				
		2017	2016	2015	2014	2013
Due to:						
(a) Micro, Small and Medium Enterprises						
(b) Others	1.20	3.63	7.73	7.69	6.90	1.18
Total	1.20	3.63	7.73	7.69	6.90	1.18

ANNEXURE XI: STATEMENT OF OTHER CURRENT LIABILITIES, AS RESTATED
(₹In Lakhs)

Particulars	As at December 31, 2017	As at March 31,				
		2017	2016	2015	2014	2013
Advance for sale of land	-	-	-	-	99.00	-
Curent maturities of long-term borrowings	-	-	-	-	32.68	58.16
Advances from customers	1.13	1.91	1.92	2.03	1.95	1.20
Production Incentives payable	15.00	-	-	-	-	-
Salaries & Wages Payable	7.51	-	4.56	4.55	1.14	4.90
Interest accrued	8.04	-	-	-	1.24	1.82
Statutory dues	7.96	3.54	3.23	2.31	1.20	1.90
Others	7.91	2.96	6.56	4.71	1.94	6.86
Total	47.53	8.41	16.27	13.60	139.15	74.85

ANNEXURE XII: STATEMENT OF PROPERTY, PLANT AND EQUIPMENT, AS RESTATED

(₹In Lakhs)

Particulars	As at December 31, 2017	As at March 31,				
		2017	2016	2015	2014	2013
TANGIBLE ASSETS:						
A. Buildings						
Opening - Gross Block	134.76	134.76	130.36	134.25	63.57	63.57
Add: Additions During the year	-	-	4.39	2.41	70.68	-
Less: Deduction During the year	-	-	-	6.29	-	-
Closing Gross Block	134.76	134.76	134.76	130.36	134.25	63.57
Depreciation Fund						
Opening	54.82	51.49	48.19	45.07	35.89	32.82
Add: Additions During the year	2.50	3.33	3.30	3.12	9.18	3.07
Less: Deduction During the year	-	-	-	-	-	-
Closing Balance	57.32	54.82	51.49	48.19	45.07	35.89
Net Block - A	77.43	79.94	83.27	82.18	89.18	27.67
B. Vehicles						
Opening - Gross Block	55.84	55.84	55.84	52.85	44.92	44.92
Add: Additions During the year	20.00	-	-	2.98	7.94	-
Less: Deduction During the year	-	-	-	-	-	-
Closing Gross Block	75.84	55.84	55.84	55.84	52.85	44.92
Depreciation Fund						
Opening	42.02	38.62	35.21	31.14	23.95	16.63
Add: Additions During the year	3.65	3.41	3.41	4.07	7.19	7.32
Less: Deduction During the year	-	-	-	-	-	-
Closing Balance	45.67	42.02	38.62	35.21	31.14	23.95
Net Block - B	30.16	13.82	17.22	20.63	21.71	20.96
C. Computers						
Opening - Gross Block	8.36	6.79	6.79	5.50	5.50	5.09
Add: Additions During the year	-	1.57	-	1.30	-	0.41
Less: Deduction During the year	-	-	-	-	-	-
Closing Gross Block	8.36	8.36	6.79	6.79	5.50	5.50
Depreciation Fund						
Opening	6.45	5.92	5.51	4.89	4.48	3.85
Add: Additions During the year	0.62	0.53	0.41	0.63	0.40	0.63
Less: Deduction During the year	-	-	-	-	-	-
Closing Balance	7.07	6.45	5.92	5.51	4.89	4.48
Net Block - C	1.29	1.91	0.87	1.28	0.61	1.01
D. Electrical Installation						
Opening - Gross Block	28.55	27.65	26.74	23.21	15.85	15.04
Add: Additions During the year	-	0.90	0.91	3.53	7.36	0.81
Less: Deduction During the year	-	-	-	-	-	-
Closing Gross Block	28.55	28.55	27.65	26.74	23.21	15.85
Depreciation Fund						
Opening	18.69	17.32	15.99	13.21	10.59	8.65
Add: Additions During the year	1.09	1.37	1.33	2.77	2.62	1.94
Less: Deduction During the year	-	-	-	-	-	-
Closing Balance	19.78	18.69	17.32	15.99	13.21	10.59
Net Block - D	8.77	9.86	10.32	10.75	9.99	5.25

Particulars	As at December 31, 2017	As at March 31,				
		2017	2016	2015	2014	2013
E. Furniture and Fittings						
Opening - Gross Block	3.43	3.43	3.43	3.43	2.78	2.64
Add: Additions During the year	-	-	-	-	0.65	0.14
Less: Deduction During the year	-	-	-	-	-	-
Closing Gross Block	3.43	3.43	3.43	3.43	3.43	2.78
Depreciation Fund						
Opening	2.64	2.46	2.27	1.75	1.48	1.20
Add: Additions During the year	0.14	0.18	0.18	0.53	0.27	0.28
Less: Deduction During the year	-	-	-	-	-	-
Closing Balance	2.78	2.64	2.46	2.27	1.75	1.48
Net Block - E	0.64	0.78	0.97	1.15	1.68	1.30
F. Land						
Opening - Gross Block	238.02	238.02	1.75	28.04	28.04	28.04
Add: Additions During the year	-	-	236.27	-	-	-
Less: Deduction During the year	-	-	-	26.29	-	-
Closing Gross Block	238.02	238.02	238.02	1.75	28.04	28.04
Depreciation Fund						
Opening	-	-	-	-	-	-
Add: Additions During the year	-	-	-	-	-	-
Less: Deduction During the year	-	-	-	-	-	-
Closing Balance	-	-	-	-	-	-
Net Block - F	238.02	238.02	238.02	1.75	28.04	28.04
G. Plant and Machinery						
Opening - Gross Block	248.02	227.22	221.60	217.42	200.51	182.98
Add: Additions During the year	9.85	20.80	5.62	4.18	16.91	17.53
Less: Deduction During the year	-	-	-	-	-	-
Closing Gross Block	257.87	248.02	227.22	221.60	217.42	200.51
Depreciation Fund						
Opening	184.51	180.17	176.65	167.71	150.88	133.48
Add: Additions During the year	4.03	4.35	3.52	8.94	16.83	17.40
Less: Deduction During the year	-	-	-	-	-	-
Closing Balance	188.54	184.51	180.17	176.65	167.71	150.88
Net Block - G	69.33	63.50	47.05	44.95	49.71	49.63
H. Office Equipment						
Opening - Gross Block	2.45	2.45	2.45	2.45	2.12	2.12
Add: Additions During the year	-	-	-	-	0.33	-
Less: Deduction During the year	-	-	-	-	-	-
Closing Gross Block	2.45	2.45	2.45	2.45	2.45	2.12
Depreciation Fund						
Opening	2.37	2.30	2.24	2.00	1.90	1.86
Add: Additions During the year	0.05	0.06	0.06	0.24	0.10	0.05
Less: Deduction During the year	-	-	-	-	-	-
Closing Balance	2.41	2.37	2.30	2.24	2.00	1.90
Net Block - H	0.04	0.09	0.15	0.21	0.45	0.22
I. Capital Work-in-Progress						
Opening - Gross Block	-	-	-	-	64.07	53.54

Particulars	As at December 31, 2017	As at March 31,				
		2017	2016	2015	2014	2013
Add: Additions During the year	43.03	-	-	-	-	10.53
Less: Deduction During the year	-	-	-	-	64.07	-
Closing Gross Block	43.03	-	-	-	-	64.07
Depreciation Fund						
Opening	-	-	-	-	-	-
Add: Additions During the year	-	-	-	-	-	-
Less: Deduction During the year	-	-	-	-	-	-
Closing Balance	-	-	-	-	-	-
Net Block - I	43.03	-	-	-	-	64.07
Net Tangible Assets (A+B+C+D+E+F+G+H)	425.70	407.92	397.87	162.90	201.38	134.10
Capital Work-in-progress (I)	43.03	-	-	-	-	64.07

ANNEXURE XIII: STATEMENT OF INVESTMENTS, AS RESTATED

(₹In Lakhs)

Particulars	As at December 31, 2017	As at March 31,				
		2017	2016	2015	2014	2013
Non-Trade investments (valued at cost unless stated otherwise)						
NON-CURRENT INVESTMENTS:						
(a) Investments in government or trust securities (unquoted)						
Investments in National Saving Certificates	0.01	0.01	0.01	0.01	0.01	0.01
Non-current portion	0.01	0.01	0.01	0.01	0.01	0.01
CURRENT INVESTMENTS:						
(a) Investments in equity instruments (quoted)	-	70.96	-	57.19	-	-
Current portion	-	70.96	-	57.19	-	-

ANNEXURE XIV: STATEMENT OF LOANS AND ADVANCES, AS RESTATED

(₹In Lakhs)

Particulars	As at December 31, 2017	As at March 31				
		2017	2016	2015	2014	2013
LONG-TERM LOANS AND ADVANCES						
Security deposit						
Unsecured, considered good	20.98	21.19	20.22	17.90	10.13	8.54
Other loans and advances	-	-	-	-	-	-
Total Long-Term Loans and Advances	20.98	21.19	20.22	17.90	10.13	8.54
SHORT-TERM LOANS AND ADVANCES						
Balances with statutory authorities	2.42	3.63	3.64	2.67	2.09	0.97
Advance for expenses	12.54	2.06	0.15	0.15	0.70	1.85
Advance for purchases	1.35	0.70	0.00	-	0.20	0.20

Particulars	As at December 31, 2017	As at March 31				
		2017	2016	2015	2014	2013
Staff advances	14.57	13.82	10.32	9.87	8.87	8.02
Loans and advances to related parties	-	-	3.10	3.10	3.10	3.10
Total Short-Term Loans and Advances	30.88	20.21	17.22	15.79	14.97	14.15

ANNEXURE XV: STATEMENT OF INVENTORIES, AS RESTATED

(₹In Lakhs)

Particulars	As at December 31, 2017	As at March 31				
		2017	2016	2015	2014	2013
Raw materials	21.28	63.35	72.36	53.34	37.20	29.40
Finished goods	0.80	2.03	1.49	1.59	6.80	1.40
Scrap	0.19	-	-	-	-	-
Total	22.28	65.39	73.85	54.94	44.00	30.80

ANNEXURE XVI: STATEMENT OF TRADE RECEIVABLES, AS RESTATED

(₹In Lakhs)

Particulars	As at December 31, 2017	As at March 31				
		2017	2016	2015	2014	2013
(Unsecured, considered good unless stated otherwise)						
Trade receivable outstanding for a period exceeding six months from the date they were due for payment						
Unsecured, considered good	18.71	75.00	33.02	22.20	-	28.98
Other Receivables						
Unsecured, considered good	637.42	308.04	272.77	322.04	316.59	271.69
Total	656.12	383.04	305.78	344.24	316.59	300.67

ANNEXURE XVII: STATEMENT OF CASH AND CASH EQUIVALENTS, AS RESTATED

(₹In Lakhs)

Particulars	As at December 31, 2017	As at March 31,				
		2017	2016	2015	2014	2013
Cash on hand	0.55	4.68	0.90	0.67	1.92	0.28
Other Bank balances:						
– CD Account	2.03	0.35	0.26	0.44	0.04	55.10
Total Cash and Cash Equivalents	2.58	5.03	1.16	1.11	1.96	55.38

ANNEXURE XVIII: STATEMENT OF OTHER CURRENT ASSETS, AS RESTATED

(₹In Lakhs)

Particulars	As at December 31, 2017	As at March 31,				
		2017	2016	2015	2014	2013
Prepaid expenses	0.41	-	-	-	-	-
Other receivables	0.17	0.19	-	-	-	-
Total Other Current Assets	0.58	0.19	-	-	-	-

ANNEXURE XIX: STATEMENT OF REVENUE FROM OPERATIONS, AS RESTATED

(₹In Lakhs)

Particulars	As at December 31, 2017	As at March 31,				
		2017	2016	2015	2014	2013
a) Sale of products						
- Finished goods	1,340.70	1,443.50	1,317.95	1,396.11	1,266.00	1,127.30
Revenue from operations (gross)	1,340.70	1,443.50	1,317.95	1,396.11	1,266.00	1,127.30
Less: Excise Duty	(40.34)	(154.55)	(140.97)	(147.75)	(132.96)	(118.51)
Less: Sales Tax/GST	(160.67)	(52.60)	(49.26)	(53.56)	(57.29)	(50.04)
Revenue from operations (net)	1,139.69	1,236.35	1,127.72	1,194.81	1,075.75	958.75
b) Other Operating Revenue	-	-	-	-	-	-
Total	1,139.69	1,236.35	1,127.72	1,194.81	1,075.75	958.75

ANNEXURE XX: STATEMENT OF OTHER INCOME, AS RESTATED

(₹In Lakhs)

Particulars	As at December 31, 2017	As at March 31,				
		2017	2016	2015	2014	2013
Interest Income	0.89	0.89	0.16	-	-	-
Other Non-operating Income:						
Dividend Income	0.56	-	0.53	0.25	-	-
Discount received	12.73	15.38	12.12	9.18	12.03	9.55
Liabilities written back	0.85	-	-	-	-	-
Bad debts recovered	-	1.08	-	-	-	-
Profit on Sale on Investments	49.44	7.44	13.19	5.62	-	-
Profit on Sale of Land	-	-	-	153.25	-	-
Total	64.47	24.79	26.00	168.30	12.03	9.55

ANNEXURE XXI: STATEMENT OF EXPENSES, AS RESTATED

(₹In Lakhs)

Particulars	As at December 31, 2017	As at March 31,				
		2017	2016	2015	2014	2013
Cost of materials consumed	619.67	718.02	661.99	807.35	719.69	588.55
(Increase)/ decrease in inventories of work-in-progress and finished goods	1.04	(0.54)	0.10	5.21	(5.40)	5.29
Manufacturing expenses	132.17	150.75	138.27	144.30	146.32	138.80
Employee benefits expense	153.43	146.32	132.39	111.30	105.96	106.54
Finance costs	27.07	37.67	21.25	28.58	41.41	31.89
Depreciation expense	12.07	13.23	12.21	20.30	36.58	30.70
Other expenses	23.26	32.55	30.79	32.53	23.63	19.85
Total	968.69	1,097.99	997.00	1,149.56	1,068.18	921.63

ANNEXURE XXII: STATEMENT OF RELATED PARTY TRANSACTIONS, AS RESTATED

(A) Names of Related Parties:		
1. Key Managerial Personnel:		
a)	Mr. Alapaty Hari Hara Prasad	Director
b)	Mrs. Alapaty Aruna	Director
c)	Mr. Alapati Kranthi Teja	Director

2. Relative of Key Managereial Personnel:	
a)	Dr. A. Appa Rao
b)	Mrs. A. Swarna Kumari
c)	Mr Alapati Siva Sankara Prasad
3. Enterprises over which Directors and/or their Relatives having Significant Influence :	
a)	Feyn Foods (OPC) Private Limited

(B) Details of Related Party Transactions:

(₹In Lakhs)

S.No	Particulars	For the period December 31, 2017	For the year ending March 31,				
			2017	2016	2015	2014	2013
A	Transactions with Directors						
1	Remuneration	13.50	14.40	13.20	13.20	13.20	13.20
2	Interest on Loans	3.97	6.70	-	-	-	0.33
3	Loans taken	85.00	90.00	74.00	-	-	-
4	Loans repaid	-	98.00	66.00	-	-	-
5	Loans given	-	-	34.00	62.80	40.05	32.59
6	Loan amount received back	-	-	34.00	67.00	44.85	23.59
B	Transactions with relatives of KMP						
1	Salary	4.50	5.10	4.80	4.80	4.80	4.80
2	Interest on Loans	8.56	8.54	3.43	7.60	6.74	6.13
3	Loans taken	99.00	63.00	12.00	19.50	4.00	4.00
4	Loans repaid	-	74.00	-	66.00	-	-
C	Transactions with the company - Feyn Foods (OPC) Private Limited						
	Sale of products	1.32	0.69	-	-	-	-

(C) Balances Outstanding:

(₹In Lakhs)

Sr. No.	Particulars	For the period December 31, 2017	For the year ending March 31,				
			2017	2016	2015	2014	2013
A	Directors						
1	Remuneration payable	1.00	0.81	0.81	0.88	0.83	0.81
2	Interest on Loans payable	3.97	-	-	-	-	0.30
3	Loans taken	66.00	-	8.00	-	-	-
4	Loans given	-	-	-	-	4.20	9.00
B	Transactions with relatives of KMP						
1	Salary payable	0.50	-	-	0.18	0.33	4.00
2	Interest on Loans payable	4.07	-	-	-	-	5.53
3	Loans taken	99.00	9.00	11.00	-	46.50	42.50
C	Transactions with the company - Feyn Foods (OPC) Private Limited						

	Receivable against sale of products	0.53	0.69	-	-	-	-
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ANNEXURE XXIII: STATEMENT OF CONTINGENT LIABILITIES, AS RESTATED

(₹ In Lakhs)

Sr. No.	Particulars	For the period December 31, 2017	For the year ending March 31				
			2017	2016	2015	2014	2013
1	Income Tax Demand for Assessment Year 2008-09	0.003	0.003	0.003	0.003	0.003	0.000
2	Income Tax Demand for Assessment Year 2009-10	0.018	0.018	0.018	0.018	0.018	0.000
3	Income Tax Demand for Assessment Year 2011-12	0.368	0.368	0.368	0.368	0.368	0.000
4	Income Tax Demand for Assessment Year 2012-13	0.001	0.001	0.001	0.001	0.001	0.000

ANNEXURE XXIV: STATEMENT OF ACCOUNTING RATIOS, AS RESTATED

Sr. No.	Particulars	For the period December 31, 2017	For the year ending March 31,				
			2017	2016	2015	2014	2013
A	Net Worth as per Balance Sheet (₹ In Lakhs)	869.34	699.22	589.58	485.92	321.54	328.21
B	Profit/(Loss) after Tax as per Balance Sheet	170.11	109.65	103.66	164.38	(6.67)	50.36
C	Weighted Average Number of Equity Shares outstanding during the Year*	41.00	41.00	41.00	41.00	41.00	41.00
D	Earnings Per Share (₹) (B/C) #	5.53	2.67	2.53	4.01	(0.16)	1.23
E	Number of Equity Shares outstanding at the end of Year	41.00	4.10	4.10	4.10	4.10	4.10
F	Net Assets Value (₹) (A/E)	21.20	170.54	143.80	118.52	78.42	80.05
G	Return on Net Worth (%) (B/A)	19.57%	15.68 %	17.58%	33.83%	-2.07%	15.34%

Earning per share for the 9 months period ending 31.12.17 has been annualised to make it comparable with other years

Calculation of Weighted Average Number of Shares during the Year

Sr. No.	Particulars	For the period December 31, 2017	For the year ending March 31,				
			2017	2016	2015	2014	2013
A	Total Number of Equity Share outstanding at the beginning of the year	4.10	4.10	4.10	4.10	4.10	4.10
B	Equity Shares issued during the year (other than Bonus shares)	-	-	-	-	-	-
C	Bonus Shares issued	36.90	-	-	-	-	-
D	Equity Shares outstanding at the end of the year (A+B +C)	41.00	4.10	4.10	4.10	4.10	4.10

E	Number of Equity Shares outstanding during the year *	41.00	41.00	41.00	41.00	41.00	41.00
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- (a) Basic and Diluted Earning per Share (₹) $\frac{\text{Restated Profit after tax available to Shareholders}}{\text{Weighted average number of equity shares at the end of the year/period}}$
- (b) Return on Net Worth (%) $\frac{\text{Restated Profit after tax available to Shareholders}}{\text{Restated Network of Equity Shareholders}}$
- (c) Net Assets Value per Equity Share (₹) $\frac{\text{Restated Network of Equity Shareholders}}{\text{Number of equity shares outstanding at the end of the year/period}}$

*Earning Per Share is calculated in accordance with Accounting Standards 20 "Earning Per Share" issued by Institute of Chartered Accountants of India. In terms of Para 24 of AS - 20, the number of Equity Shares outstanding before the issue of Bonus Shares is adjusted for the change in number of Equity Shares issued as bonus shares as if the shares were issued at the beginning of earliest reported period.

ANNEXURE XXVI: STATEMENT OF TAX SHELTER, AS RESTATED

Particulars	For the period December 31, 2017	For the year ending March 31,				
		2017	2016	2015	2014	2013
Normal Corporate Tax Rates (%)	25%	30%	30%	30%	30%	30%
Minimum Alternate Tax Rates (%)	19%	19%	19%	19%	19%	19%
Capital Gain Tax Rates (%) (Short-term u/s 111A)	15%	15%	15%	15%	15%	15%
Capital Gain Tax Rates (%) (Long-term)	20%	20%	20%	20%	20%	20%
Surcharge on Tax (%)	7%	7%	7%	5%	0%	0%
Education Cess (%) on Tax and Surcharge	3%	3%	3%	3%	3%	3%
Taxable Income						
Profit before tax as per Restated Statement of Profit & Loss	235.47	163.15	156.72	213.55	19.60	46.67
Items Inadmissible	36.94	16.52	17.42	28.27	37.92	36.28
Items Admissible	-	-	-	-	-	-
Depreciation	18.07	27.12	26.26	28.06	32.99	28.28
Interest Income	-	-	-	9.43	-	-
Capital Gain	49.44	7.44	0.24	153.25	-	-
Exempted Income	0.56	-	0.53	-	-	-
Deductions	-	-	-	0.75	-	-
Adjustments:						
Income from Business or Profession (A)	204.34	145.12	147.12	50.33	24.53	54.67
Income from Capital Gain - Taxable at Special Rates (B)	47.48	7.44	-	133.30	-	-
Income from Capital Gain - Taxable at Normal Rates (C)	1.96	-	-	-	-	-
Income from Other Sources (D)	-	-	0.24	9.43	-	-

Particulars	For the period December 31, 2017	For the year ending March 31,				
		2017	2016	2015	2014	2013
Total Income as per Income Tax - (A+B+C+D)	253.78	152.55	147.36	193.06	24.53	54.67
MAT Income						
Profit before tax as per Restated Statement of Profit & Loss	235.47	163.15	156.72	213.55	19.60	46.67
Items Admissible	-	-	-	-	-	-
Income as per MAT	235.47	163.15	156.72	213.55	19.60	46.67
Tax as per Normal Rate	51.58	43.53	44.21	17.93	7.36	16.40
Tax as per Special Rate on Capital Gain	7.12	1.12	-	26.66	-	-
Total Tax including Tax at Sepcial Rates	58.70	44.65	44.21	44.59	7.36	16.40
Tax as per MAT	43.56	30.18	28.99	39.51	3.63	8.63
Higher of Two Considered	58.70	44.65	44.21	44.59	7.36	16.40
Add: Surcharge	4.11	3.13	3.09	2.23	-	-
Tax including Surcharge	62.81	47.78	47.30	46.82	7.36	16.40
Add: Education Cess	1.88	1.43	1.42	1.40	0.22	0.49
Total Tax Payable	64.69	49.21	48.72	48.22	7.58	16.89
Income Tax as per Return	N.A.	49.35	48.87	48.37	7.58	15.40
Difference	N.A.	(0.15)	(0.15)	(0.14)	0.00	1.50

ANNEXURE XXVII: STATEMENT OF RECONCILIATION OF RESTATED PROFIT WITH PROFIT AS PER AUDITED BALANCE SHEETS

(₹In Lakhs)

Particulars	For the period December 31, 2017	For the year ending March 31,				
		2017	2016	2015	2014	2013
Net profit/(loss) after tax as per audited statement of profit & loss	169.39	118.66	103.82	163.09	13.13	27.18
Adjustments for:						
Excess / Short Provision of Tax (Refer Note 1)	-	-	-	-	-	4.84
Provision for Tax Adjustments (Refer Note 2)	(5.70)	0.15	0.15	0.14	(0.00)	(1.50)
Deferred Tax Liability / Assets Adjustments (Refer Note 2)	7.60	(8.72)	0.14	1.59	(19.80)	19.83
Depreciation Adjustments (Refer 3)	(1.17)	(0.44)	(0.44)	(0.44)	-	-
Net profit/(loss) after tax as per restated statement of profit & loss	170.11	109.65	103.66	164.38	-6.67	50.36

Note 1: The company has provided excess or short provision in the year in which the income tax return has been filed. But in restated account, the same has been provided excess or short provision in the year to which it relates.

Note 2: There is change in Provision for Income Tax and Deferred Tax Assets/Liabilities as per Audited Books of Accounts and as per Restated Books and the same has been given effect in the year to which the same relates.

Note 3: There are some errors in depreciation calculations, which are considered immaterial, but are adjusted in the restated statement profit and loss and given effect in the year to which the same relates

ANNEXURE XXVIII: STATEMENT OF FINANCIAL INDEBTEDNESS, AS RESTATED

(₹In Lakhs)

Lender's Name	Nature of Loan	Facility Key Terms			Outstanding as at 31st December 2017	Purpose	Security
		Loan Amount	Rate of Interest (%)	Total Term (Months)			
Central Bank of India	Secured Cash Credit	175.00	12.35%	12	62.98	To meet Working Capital Requirement	(a) Hypothecation of stocks with 25% margin. (b) Hypothecation of entire book debts.
Mr. Alapaty Hari Hara Prasad	Unsecured Loan	-	15%	-	44.00	To meet Working Capital Requirement	N.A.
Mrs. Alapaty Aruna	Unsecured Loan	-	15%	-	66.00	To meet Working Capital Requirement	N.A.
Mrs A.Swarna Kumari	Unsecured Loan	-	15%	-	55.00	To meet Working Capital Requirement	N.A.

MANAGEMENTS DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

The following discussion of our financial condition and results of operations should be read in conjunction with our restated financial statements as of and for the Nine Months period ended December 31, 2017 and the years ended March 31, 2017, 2016, 2015, 2014 and 2013 prepared in accordance with the Companies Act, 1956 and Companies Act, 2013 and Indian GAAP and restated in accordance with the SEBI ICDR Regulations, including the schedules, annexure and notes thereto and the reports thereon, included in 'Financial Statements' beginning on page 120 of this Draft Prospectus.

Indian GAAP differs in certain material respects from U.S. GAAP and IFRS. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this Prospectus, nor do we provide a reconciliation of our financial statements to those under U.S. GAAP or IFRS. Accordingly, the degree to which the Indian GAAP financial statements included in this Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with the Companies Act, Indian GAAP and the SEBI ICDR Regulations.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in 'Risk Factors' and 'Forward-Looking Statements' beginning on pages no's 14 and 13 respectively of this Draft Prospectus.

Business Overview

Our Company was originally incorporated as a private limited company on February 16, 1996 under the name Tejaswi Packaging Private Limited vide certificate of Incorporation, issued by the Registrar of Companies, Andhra Pradesh under the provisions of Companies Act 1956. Subsequently, our Company was converted into a public limited company pursuant to special resolution passed at the Extra-ordinary General Meeting of our Company held on January 17, 2018 and the name of our company was changed to "Tejaswi Packaging Limited". Upon conversion into a public limited company, a fresh certificate of incorporation was issued by the Registrar of Companies, Andhra Pradesh & Telangana on January 24, 2018. The Corporate Identification Number of our Company is U63010TG1996PLC023241.

We are a leading manufacturer in the rigid packaging space primarily bottles, containers and jars for several major companies in the agrochemical and veterinary space. We primarily manufacture blow molded HDPE products using state-of-the-art technologies and intend to enter into the manufacturing of PET products very shortly. The company has its principle office in Hyderabad, India and services many large clients in the south and the west of the country. We are led by steadfast, experienced management and are a process driven organization, always striving to become more efficient while maintaining value. We aim to be the leading manufacturer of HDPE products in South India by 2022.

The company services a wide ranging clientele including several multinational companies and has a long history of customer satisfaction. With a portfolio of over 300 products, we have grown consistently and have registered YoY growth that has seen the company become one of the leading players in the HDPE manufacturing industry. Our Unit -1 and Unit -2 currently have a combined installed capacity of 800 metric tonnes of production spread over 14,600 sq. feet area. We all set to expand our production capacity to 1100 metric tonnes by the end of FY 2018-19 and 1600 metric tonnes by the end of 2019-20 with another unit built over an area of 23,000 sq. feet

Summary of the Results of Operation:

The following table sets forth select financial data from restated Profit and Loss accounts for the period ended December 31, 2017 and for the Financial Year ended March 31, 2017, 2016, 2015 and 2014 the components of which are also expressed as a percentage of total income for such periods:

(₹ in Lakhs)

Particulars	For The Period Ended December 31 2017	For the year ended March 31,			
		2017	2016	2015	2014
<u>Revenue:</u>					
Revenue From Operations (Net of Taxes)	1139.69	1236.35	1127.72	1194.81	1075.75

Particulars	For The Period Ended December 31 2017	For the year ended March 31,			
		2017	2016	2015	2014
<i>As a % of Total Revenue</i>	94.65%	98.03%	97.75%	87.65%	98.89%
Other Income	64.47	24.79	26.00	168.30	12.03
<i>As a % of Total Revenue</i>	5.35%	1.97%	2.25%	12.35%	1.11%
Total Revenue	1204.16	1261.14	1153.72	1363.11	1087.78
Expenses:					
Cost of Material Consumed	619.67	718.02	661.99	807.35	719.69
Purchase of Stock-in -Trade	1.04	(0.54)	0.10	5.21	(5.40)
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	132.17	150.75	138.27	144.30	146.32
Employee benefit expenses	153.43	146.32	132.39	111.30	105.96
Financial Cost	27.07	37.67	21.25	28.58	41.41
Depreciation and amortization expenses	12.07	13.23	12.21	20.30	36.58
Others Expenses	23.26	32.55	30.79	32.53	23.63
Total Expenses	968.69	1097.99	997.00	1149.56	1068.18
<i>As a % of Total Revenue</i>	80.45%	87.06%	86.42%	84.33%	98.20%
Profit before exceptional, extraordinary items and tax	235.47	163.15	156.72	213.55	19.60
<i>As a % of Total Revenue</i>	19.55%	12.94%	13.58%	15.67%	1.80%
Less: Exceptional Items					
Profit before extraordinary items and tax (A-B)	235.47	163.15	156.72	213.55	19.60
<i>As a % of Total Revenue</i>	19.55%	12.94%	13.58%	15.67%	1.80%
Prior Period Items					
Extra ordinary items					
Profit before tax	235.47	163.15	156.72	213.55	19.60
<i>As a % of Total Revenue</i>	19.55%	12.94%	13.58%	15.67%	1.80%
Tax expense :					
Current tax	64.69	49.21	48.72	48.22	7.58
Deferred Tax	0.67	4.29	4.34	0.95	18.69
Total Tax Expenses	65.36	53.50	53.06	49.17	26.27
<i>As a % of Total Revenue</i>	5.43%	4.24%	4.60%	3.61%	2.41%
Profit/(Loss) for the period After Tax- PAT	170.11	109.65	103.66	164.38	(6.67)
<i>As a % of Total Revenue</i>	14.13%	8.69%	8.98%	12.06%	-0.61%

Overview on Result of Operations:

Comparison of Financial Year Ended March 31, 2017 with Financial Year Ended March 31, 2016

Revenue from Operations:

The operating income of the Company has increased to ₹ 1236.35 Lakhs from ₹ 1127.72 Lakhs. The increase is due to higher sales.

Other Income:

The Other Income of the Company has decreased to ₹ 24.79 Lakhs from ₹ 26.00 Lakhs. The decrease due to reduction of discount availed from raw material suppliers.

Expenditure:

The total expenditure of the Company has increased to ₹ 1097.99 Lakhs from ₹ 997.00 Lakhs. The increase is due to increase in Employee Benefits Expenses.

Cost of Material Consumed:

The cost of Material consumed has increased to ₹ 718.02 Lakhs from ₹ 661.99 Lakhs. The increase is due to increase in production and sales and a corresponding increase in material consumption.

Finance Cost:

The Finance Cost has increased to ₹ 37.67 Lakhs from ₹ 21.25 Lakhs. The Increase is due to additional term loan availed to facilitate expansion.

Other Expenses:

Other Expenses has increased to ₹ 32.55 Lakhs from ₹ 30.79 Lakhs in FY 2016-2017. The correspondence increase is due to increase in sales.

Profit before exceptional & extraordinary items and Tax:

The profit before exceptional & extraordinary items & tax has increased to ₹ 163.15 Lakhs from ₹ 156.72 Lakhs on account of increase in sales volume.

Net Profit after Tax and Extraordinary items:

The PAT has increased to ₹ 109.65 Lakhs from ₹ 103.66 Lakhs which is marginal as well as on account of increase in sales

Comparison of Financial Year Ended March 31, 2016 with Financial Year Ended March 31, 2015

Revenue from Operations:

The operating income of the Company has decreased to ₹ 1127.72 Lakhs from ₹ 1194.81 Lakhs. The decrease is due to adverse climatic conditions.

Other Income:

The Other Income of the Company has decreased to ₹ 26.00 Lakhs from ₹ 168.30 Lakhs. The other income in FY 2014-15 includes sale of land.

Expenditure:

The expenditure of the Company has decreased to ₹ 997.00 Lakhs from ₹ 1149.56 Lakhs. This is on account of decrease in sales volume.

Cost of Material Consumed:

The cost of Material consumed has decreased to ₹ 661.99 Lakhs from ₹ 807.35 Lakhs. The decrease is due to decrease in sales volume.

Finance Cost:

The Finance Cost has decreased to ₹ 21.25 Lakhs from ₹ 28.58 Lakhs. The decrease is on account of lower utilization of working capital limits as the sales volume got decreased.

Other Expenses:

Other Expenses has decrease to ₹ 30.79 Lakhs from ₹ 32.55 Lakhs. The decrease is due to reduction in sales.

Profit before exceptional & extraordinary items and Tax:

The profit before exceptional & extraordinary items & tax has decreased to ₹ 156.72 Lakhs from ₹ 213.55 Lakhs. The decrease is due to decrease in sales as well as the additional non-operational revenue earned during the FY 2014-15.

Net Profit after Tax and Extraordinary items:

The PAT has decreased to ₹ 103.66 Lakhs from ₹ 164.38 Lakhs. The decreased is due to decrease in sales as well as the additional non-operational revenue earned during the FY 2014-15.

Comparison of Financial Year Ended March 31, 2015 with Financial Year Ended March 31, 2014

Revenue from Operations:

The operating income of the Company has increased to ₹ 1194.81 Lakhs from ₹ 1075.75 Lakhs. The increase is due to better operational performance and increase in sales.

Other Income:

The Other Income of the Company has increased substantially to ₹ 168.30 Lakhs from ₹ 12.03 Lakhs. The increase is due to Sale of Land in the FY 2014-15.

Expenditure:

The expenditure of the Company has increased to ₹ 1149.56 Lakhs from ₹ 1068.18 Lakhs. The increase is due to increase in sales.

Cost of Material Consumed:

The cost of Material consumed has increased to ₹ 807.35 Lakhs from ₹ 719.69 Lakhs. The increase is due to increase in sales volume.

Finance Cost:

The Finance Cost has decreased to ₹ 28.58 Lakhs from ₹ 41.41 Lakhs. The decrease is due to better realization of trade receivables and lesser utilization of Working Capital Limits.

Other Expenses:

Other Expenses has increased to ₹ 32.53 Lakhs from ₹ 23.63 Lakhs. The increase is due to corresponding increase in sales volume

Profit before exceptional & extraordinary items and Tax:

The profit before exceptional & extraordinary items & tax has increased substantially to ₹ 213.55 Lakhs from ₹ 19.60 Lakhs. The increase is due to profit from sale of land and increase in sales

Net Profit after Tax and Extraordinary items:

The company had a Profit after Tax of ₹ 164.38 Lakhs as against loss of ₹ 6.67 Lakhs in the previous year. The increase is due to profit from sale of land and increase in sales

No circumstances have arisen since the date of last financial statement until the date of filing this Prospectus, which materially and adversely affect or are likely to affect the operations or profitability of our Company, or value of its assets, or its ability to pay its liability within next twelve months. There is no subsequent development after the date of the Auditor's Report, which will have a material impact on the reserves, profits, earnings per share and book value of the Equity Shares of the Company.

FINANCIAL INDEBTEDNESS

Our Company has various credit facilities from banks and others for conducting its business. Set forth is a brief summary of the Company's secured and unsecured borrowings together with a brief description of certain significant terms of such financing arrangements.

(₹ In Lakhs)

Lender's Name	Nature of Loan	Facility Key Terms			Outstanding as at 31st December 2017	Outstanding as at 31st March 2018	Purpose	Security
		Loan Amt.	Rate of Interest (%)	Total Term (Months)				
Central Bank of India	Secured Cash Credit	175.00	12.35	12	62.98	76.30	To meet Working Capital Requirement	(a)Hypothecation of stocks with 25% margin. (b)Hypothecation of entire book debts. *(c Equitable mortgage on Company's land and buildings.
Mr. Alapati Siva Sankara Prasad	Unsecured Loan	44.00	15.00	-	44.00	NIL	To meet Working Capital Requirement	NIL
Mrs. Alapaty Aruna	Unsecured Loan	66.00	15.00	-	66.00	NIL	To meet Working Capital Requirement	NIL
Mrs. Alapati Swarna Kumari	Unsecured Loan	55.00	15.00	-	55.00	NIL	To meet Working Capital Requirement	NIL

* Particulars of the property charged:

(i) Industrial Shed No.18, admeasuring 1921 Sq Yds., Situated at phase -I, Cherlapally Industrial Area, Cherlapally, Hyderabad.

(ii) Residential Plot No.12/1, Block 'A', Part A Plot no.12, Block 'A', admeasuring 416 Sq Yds, situated at Kakatiya Nagar, Co-op Housing Society, Habsiguda, Uppal Mandal, Ranga Reddy Dist., Telangana.

SECTION VI - LEGAL AND OTHER INFORMATION OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as described below, there are no outstanding litigations, suits, civil or criminal prosecutions, proceedings before any judicial, quasi-judicial, arbitral or administrative tribunals, including pending proceedings for violation of statutory regulations or, alleging criminal or economic offences or tax liabilities or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (i) of Part 1 of Schedule XIII of the Companies Act) against our Company, our Directors, our Promoter and our Group Entities that would have a material adverse effect on our business. There are no defaults, non-payments or overdue of statutory dues, institutional/bank dues and dues payable to holders of debentures or fixed deposits and arrears of cumulative preference shares that would have a material adverse effect on our business.

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 ₹ 5,00,000/-.

Further, Our Company has a policy for identification of Material Litigation in terms of the SEBI (ICDR) Regulations,2009 as amended for disclosure of all pending litigation involving the Issuer, its directors, promoters and group companies, other than criminal proceedings, statutory or regulatory actions, where the monetary amount of claim by or against the entity or person in any such pending matter(s) is in excess of ₹ 1,00,000/- and where the amount is not quantifiable, such pending cases are material from the perspective of the Issuer's business, operations, prospects or reputation.

PART 1: CONTINGENT LIABILITIES OF OUR COMPANY

NIL

PART 2: LITIGATIONS RELATING TO OUR COMPANY

IV. LITIGATIONS AGAINST OUR COMPANY

- A. 1. Litigations involving civil laws :NIL
- 2. Litigations involving criminal laws :NIL
- B. Litigations involving statutory/Regulatory Authorities :NIL
- C. Litigations involving taxation matters.: NIL
- D. Other Pending Litigations.: NIL

II. LITIGATIONS BY OUR COMPANY

- A. 1. Litigations involving civil laws :NIL
- 2. Litigations involving criminal laws :NIL
- B. Litigations involving statutory/Regulatory Authorities:NIL
- C. Litigations involving taxation matters.:NIL
- D. Other Pending Litigations.:NIL

PART 3: A- LITIGATIONS AGAINST OUR GROUP COMPANIES

- A. 1. Litigations involving civil laws: NIL
- 2. Litigations involving criminal laws:NIL

- B. Litigations involving statutory/Regulatory Authorities: NIL
- C. Litigations involving taxation matters.: NIL
- D. Other Pending Litigations.: NIL

B- Litigations by our Group Companies

- A. 1. Litigations involving civil laws: NIL
- 2. Litigations involving criminal laws: NIL
- B. Litigations involving statutory/Regulatory Authorities: NIL
- C. Litigations involving taxation matters.: NIL
- D. Other Pending Litigations.: NIL

PART 4. : LITIGATIONS AGAINST OUR DIRECTORS

- A. 1. Litigations involving civil laws: NIL
- 2. Litigations involving criminal laws: NIL
- B. Litigations involving statutory/Regulatory Authorities: NIL
- C. Litigations involving taxation matters: NIL
- D. Other Pending Litigations: NIL

LITIGATIONS BY OUR DIRECTORS.

- A. 1. Litigations involving civil laws: NIL
- 2. Litigations involving criminal laws: NIL
- B. Litigations involving statutory/Regulatory Authorities: NIL
- C. Litigations involving taxation matters: NIL
- D. Other Pending Litigations: NIL

PART 5: LITIGATIONS AGAINST OUR PROMOTERS

- A. 1. Litigations involving civil laws: NIL
- 2. Litigations involving criminal laws: NIL
- B. Litigations involving statutory/Regulatory Authorities: NIL
- C. Litigations involving taxation matters: NIL
- D. Other Pending Litigations: NIL

LITIGATIONS BY OUR PROMOTERS

- A. 1. Litigations involving civil laws: NIL
- 2. Litigations involving criminal laws: NIL
- B. Litigations involving statutory/Regulatory Authorities: NIL
- C. Litigations involving taxation matters: NIL
- D. Other Pending Litigations: NIL

PART 6: PENALTIES LEVIED UPON OUR COMPANY / PROMOTERS / GROUP ENTITIES IN THE PAST FIVE YEARS

NIL

PART 7: LITIGATIONS OR LEGAL ACTIONS, PENDING OR TAKEN, BY ANY MINISTRY OR DEPARTMENT OF THE GOVERNMENT OR A STATUTORY AUTHORITY AGAINST OUR PROMOTERS DURING THE LAST 5 (FIVE) YEARS.

There are no litigations or legal actions, pending or taken, by any Ministry or Department of the Government or a statutory authority against our Promoters during the last 5 (five) years.

PART 8: PENDING PROCEEDINGS INITIATED AGAINST OUR COMPANY FOR ECONOMIC OFFENCES.

There are no pending proceedings initiated against our Company for economic offences.

PART 9: INQUIRIES, INVESTIGATIONS ETC. INSTITUTED UNDER THE COMPANIES ACT, 2013 OR ANY PREVIOUS COMPANIES ENACTMENT IN THE LAST 5 (FIVE) YEARS AGAINST OUR COMPANY

There are no inquiries, investigations etc. instituted under the Companies Act or any previous companies enactment in the last 5 (five) years against our Company.

PART 10: MATERIAL FRAUD AGAINST OUR COMPANY IN THE LAST 5 (FIVE) YEARS

There has been no material fraud committed against our Company in the last 5 (five) years.

PART 11: FINES IMPOSED OR COMPOUNDING OF OFFENCES FOR DEFAULT

Non-Payment of Statutory Dues

Other than as disclosed in this section and section title “*Financial Information of the Company*” on page no 120, there have been no defaults or outstanding defaults in the payment of statutory dues payable by the Company.

PART 12: AMOUNTS OWED TO SMALL SCALE UNDERTAKINGS AND OTHER CREDITORS

The Board of Directors of our Company considers outstanding due to any one of them exceeds ₹5,00,000/-as per Company’s last audited financial statements, as material dues for our Company. There are no disputes with such entities in relation to payments to be made to them. As on 31.12.2017 no amounts are due and owed to small scale undertakings.

PART 13: MATERIAL DEVELOPMENTS OCCURING AFTER LAST BALANCE SHEET DATE

Except as disclosed in Chapter titled “Management’s Discussion & Analysis of Financial Conditions & Results of Operations” beginning on page 143 there have been no material developments that have occurred after the Last Balance Sheet Date.

GOVERNMENT AND OTHER APPROVALS

Our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies required to undertake the Issue or continue our business activities. In view of the approvals listed below, we can undertake the Issue and our current/ proposed business activities and no further major approvals from any governmental/regulatory authority or any other entity are required to be undertaken, in respect of the Issue or to continue our business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of the Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf.

The main objects clause of the Memorandum of Association of the Company and the objects incidental, enable our Company to carry out its activities. The following are the details of licenses, permissions and approvals obtained by the Company under various Central and State Laws for carrying out its business:

1) Approvals for the Proposed Issue:

1. The Board of Directors has, pursuant to a resolution passed at its meeting held on April 02, 2018, authorized the Issue, subject to the approval of the shareholders of the Company under Section 62(1)(c) of the Companies Act, 2013 and approvals by such other authorities, as may be necessary.
2. The shareholders of the Company have, pursuant to a resolution passed in EGM held on April 09, 2018, authorized the Issue under Section 62(1)(c) of the Companies Act, 2013.
3. The Company has obtained in-principle listing approval dated [●] from National Stock Exchange of India Limited for using its name in this offer document for listing of our shares on the SME Platform of National Stock Exchange of India Limited.

2) Approvals for our company:


1. The Company has entered into an agreement dated May 03, 2018 with the Central Depository Services (India) Limited (CDSL) and Bigshare Services Private Limited, the Registrar and Transfer Agent for the dematerialization of its shares.
2. Similarly, the Company has also entered into an agreement dated April 25, 2018 with the National Securities Depository Limited (NSDL) and Bigshare Services Private Limited, the Registrar and Transfer Agent for the dematerialization of its shares.
3. The Company's International Securities Identification Number (ISIN) is INE00G901016.

3) Other Approvals:

Sr. No	Particulars	Granting Authorities	Registration/Approval/Cod e No./ Artistic Work No.	Date of Issue	Period of Validity if specified
1	Certificate of Incorporation	Registrar of Companies, Andhra Pradesh & Telangana	U63010TG1996PLC023241	24.01.2018	Valid until cancelled
2.	Permanent Account No.	Income Tax Department	AAACT8876A	16.02.1996	Valid until cancelled
3.	Tax Deduction Account No. (TAN)	NSDL	HYDT00609A		
4.	Tax Payer's Identification No. (TIN) –VAT	VAT Registering Authority- Nacharam Circle	36850291457	02.06.2014	

Sr. No	Particulars	Granting Authorities	Registration/Approval/Code No./ Artistic Work No.	Date of Issue	Period of Validity if specified
5.	Registration under Excise	Central Excise Cherlapally-I Range Hyderabad-x Division: Hyderabad	Superintendent of Central Excise- AA ACT8876AXM002	21.03.2002	
6.	Registration under GST	Government of India	36AA ACT8876A1Z8	21.09.2017	Valid until cancelled
7.	Registration under Employees Provident Fund & Miscellaneous Provisions Act, 1952	Employees Provident Fund	Employer Code: APHDD0032698000		
8.	Registration under Employees State Insurance Act, 1948	ESIC Corporation	5200014130000899		
9.	Registration of Certificate under Factories Act, 1948	Inspector of factories, Ranga Reddy II Circle	37708	17.08.2002	Specify
10.	Sanction letter from Local Power stations pertaining to power watts used.	Central Power Distribution Company of Andhra Pradesh Ltd	SE/OP/RREast/Compl/DR No.205/13-14 D No. 1131/13	19.07.2013	
11.	Professional Tax	Government of Telangana, Commercial Taxes Department	36850291457	31.03.2017	Dy Commercial Tax Officer, Nacharam Circle
12.	Registration under Pollution Control Board	Telangana State Pollution Control Board, Regional Office, Medchal	Order No. 34/CHPL/PCB/Ro-MPC/CFE/2018	9.01.2018	Valid for five years from date of issue

4) Approvals in relation to Intellectual Property.

Sr.No	Application No	Class & Description	Date of Application	Image	Status
1.	2267864	Class-21-Bottles	April 21,2018		Pending

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The Board of Directors, pursuant to a resolution passed at their meeting held on April 02, 2018 authorized the Issue, subject to the approval of the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013, and such other authorities as may be necessary.

The Shareholders of our Company have, pursuant to a special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extraordinary General Meeting held on April 09, 2018 authorized the Issue.

Our Company has obtained in-principle approval from National Stock Exchange of India Ltd. for using its name in the Draft Prospectus/Prospectus pursuant to an approval letter dated [•] from National Stock Exchange of India Limited is the Designated Stock Exchange.

Prohibition by SEBI, RBI or governmental authorities

We confirm that there is no prohibition on our Company, our Promoters, our Promoters Group, our Directors, our Group Companies / Entities or the natural person(s) in control of our Company from accessing or operating in the Capital Markets or restrained from buying, selling or dealing in securities under any order or direction passed by the Board (SEBI) or any other authorities.

The listing of any securities of our Company has never been refused by any of the Stock Exchanges in India.

Neither of our Promoters, Promoter Group, Directors or the person(s) in control of our Company, has ever been part of Promoter, Promoter Group, Directors or the person(s) in control of any other Company which is debarred from accessing the capital market under any order or directions made by the Board (SEBI) or any other regulatory or governmental authority.

There are no violations of securities laws committed by any of them in the past or pending against them, nor have any companies with which any of our Company, our Promoter, Directors, persons in control of our Company or any natural person behind the corporate Promoters are or were associated as a promoter, director or person in control, been debarred or prohibited from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

Association with Securities Market

None of our Directors 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 Directors, Group Entities, relatives (as per Companies Act, 2013) of Promoters or the person(s) in control of our Company have been identified as a will full defaulter by the RBI or other governmental authority and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided in the chapter titled “*Outstanding Litigations and Material Developments*” beginning on page 149 of this Draft Prospectus.

Eligibility for the Issue

Our Company is in compliance with the following conditions specified in Regulation 4(2) of the SEBI (ICDR) Regulations to the extent applicable:

- a) Our Company, our Directors and the companies with which our Directors are associated as directors or promoters or persons in control have not been prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI;

- b) Our Company has applied to NSE for obtaining their in-principle listing approval for listing of the Equity Shares under this Issue and has received the in-principle approval from NSE pursuant to their letter dated [●]. For the purposes of this Issue, the NSE shall be the Designated Stock Exchange;
- c) Our Company has entered into tripartite agreement dated April 25, 2018 with NSDL, for dematerialization of the Equity Shares;
- d) Our Company has entered into tripartite agreement dated May 03, 2018 with CDSL, for dematerialization of the Equity Shares; and
- e) The Equity Shares are fully paid and there are no partly paid-up Equity Shares as on the date of filing this Draft Prospectus.

Further, in compliance with Regulation 4 (5) of the SEBI Regulations, none of our Company, Promoters or Directors is a Willful Defaulter, as on the date of this Draft Prospectus.

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations; and this Issue is an “Initial Public Offer” in terms of the SEBI (ICDR) Regulations.

Our Company is eligible for the Issue in accordance with Regulation 106(M) (1) and other provisions of Chapter XB of the SEBI (ICDR) Regulations, as we are an Issuer whose post issue paid up capital is less than ₹10 crore, we may hence issue Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the "SME Platform of NSE").

We confirm that:

- 1) In accordance with Regulation 106(P) of the SEBI (ICDR) Regulations, this issue is 100% underwritten and that the Lead Manager to the Issue shall underwrite minimum 15% of the Total Issue Size. For further details pertaining to said underwriting please refer to chapter titled “*General Information-Underwriting*” beginning on page 40 of this Draft Prospectus.
- 2) In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue shall be greater than or equal to 50 (fifty), otherwise, the entire application money will be unblocked forthwith. If such money is not repaid within 8 (eight) Working Days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of 8 (eight) Working Days, be liable to repay such application money, with an interest at the rate as prescribed under the SEBI (ICDR) Regulations, Companies Act 2013 and other applicable laws.
- 3) In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, we have not filed any Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our Lead Manager submits a copy of the Draft Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Draft Prospectus with Stock Exchange and the Registrar of Companies, Andhra Pradesh & Telangana.
- 4) In accordance with Regulation 106(V) of the SEBI (ICDR) Regulations, we hereby confirm that we have entered into an agreement with the Lead Manager and a Market Maker to ensure compulsory Market Making for a minimum period of Three (3) years from the date of listing of Equity Shares on the SME Platform of NSE. For further details of the arrangement of market making, see chapter titled “*General Information – Details of the Market Making Arrangements for this Issue*” beginning on page 40 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 XB of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and sub regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to us in this Issue.

1. The Company has Net Tangible assets of at least Rupees 3 crore as per the latest audited financial results.
2. The Net worth (excluding revaluation reserves) of the Company is at least Rupees 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, 2013 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 a Net Worth of Rupees 5 crore.
4. The Net Distributable Profits, Net Tangible Assets and Net Worth of the Company as per the restated financial statements are as set forth below:

(₹ In Lakhs)

Particulars	For the period ended December 31, 2017	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015
Net Distributable Profits*	170.11	109.65	103.66	164.38

(₹ In Lakhs)

Particulars	As at December 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Net Tangible Assets**	900.57	806.09	593.12	485.99
Net Worth***	869.34	699.22	589.58	485.92

* “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 revaluation reserve and after deducting miscellaneous expenditure, if any.

Our Company shall mandatorily facilitate trading in demat securities and will enter into an agreement with both the depositories. The Company has entered into an agreement for registration with the Central Depository Services Limited (CDSL) dated May 03, 2018 and National Securities Depository Limited dated April 25, 2018 for establishing connectivity.

Our Company has a website which can be accessed at the following link: www.tejaswipackaging.com

There has been no change in the promoter/s of the Company in the preceding one year from date of filing application to NSE for listing on EMERGE except inclusion of name of Sri Alapati Kranthi Teja, S/o Sri Alapaty Hari Hara Prasad.

We confirm that we comply with all the below requirements / conditions so as to be eligible to be listed on the NSE EMERGE:-

- 1.) Our Company was incorporated as Tejaswi Packaging Limited under the provisions of the Companies Act, 1956 with Certificate of Incorporation bearing Registration Number 023241 dated February 16, 1996 issued by the Registrar of Companies, Andhra Pradesh. The Corporate Identification Number of our Company is U63010TG1996PLC023241.
- 2.) The post issue paid up capital of the company will be 64,06,000 Equity Shares of face value of ₹10 each aggregating to ₹ 640.60 Lakhs which is less than ₹ 25 Crores.
- 3.) Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).

- 4.) There is no winding up petition against our Company that has been admitted by the Court and no liquidator has been appointed against the Company.
- 5.) No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the company.
- 6.) Our Company confirms that there is no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoters, Group Companies, companies promoted by the promoters of the company.

We confirm that we comply with all the above requirements / conditions so as to be eligible to be listed on the SME Platform of the NSE ("NSE EMERGE").

Compliance with Part A of Schedule VIII of the SEBI (ICDR) Regulations

Our Company is in compliance with the provisions specified in Part A of the SEBI (ICDR) Regulations. No exemption from eligibility norms has been sought under Regulation 109 of the SEBI (ICDR) Regulations, with respect to the Issue.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF ISSUE DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE ISSUE DOCUMENT. THE MERCHANT BANKER, MARK CORPORATE ADVISORS PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE ISSUE DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE ISSUE DOCUMENT, THE LEAD MERCHANT BANKER, MARK CORPORATE ADVISORS PRIVATE LIMITED IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED JUNE 11, 2018 WHICH READS AS FOLLOWS:

WE, THE UNDER NOTED LEAD MANAGER TO THE ABOVE MENTIONED FORTHCOMING ISSUE STATE AND CONFIRM AS FOLLOWS:

- 1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE 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 DRAFT PROSPECTUS FILED WITH THE EXCHANGE IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;
 - B. ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND
 - C. THE DISCLOSURES MADE IN THE 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, 2013, APPLICABLE PROVISIONS OF THE COMPANIES ACT, 1956, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.
3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE 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 FULFILL THEIR UNDERWRITING COMMITMENTS.
 5. WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAVE BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT 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 ALL THE STOCK EXCHANGES 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.
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 BELOW (WHO ARE RESPONSIBLE FOR PRICING THIS ISSUE)', AS PER FORMAT SPECIFIED BY SEBI THROUGH CIRCULAR NO. CIR/CFD/DIL/7/2015 DATED OCTOBER 30, 2015.
17. WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED IN ACCORDANCE WITH ACCOUNTING STANDARD-18 IN THE FINANCIAL INFORMATION OF THE COMPANY INCLUDED IN THE DRAFT PROSPECTUS.

ADDITIONAL CONFIRMATIONS/ CERTIFICATION TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH ISSUE DOCUMENT REGARDING SME EXCHANGE

- (1) WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE 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 ISSUED 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 – NOTED FOR COMPLIANCE.**
- (5) **WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISIO TO SUBREGULATION (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 - NOTED FOR COMPLIANCE.**

Note:

The filing of this Draft Prospectus does not, however, absolve our Company from any liabilities under Section 34, Section 35, Section 36 and Section 38 (1) of the Companies Act, 2013 or from the requirement of obtaining such statutory and / or other clearances as may be required for the purpose of the proposed Issue. SEBI further reserves the right to take up at any point of time, with the Lead Manager 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 Draft Prospectus with the Registrar of Companies, Andhra Pradesh & Telangana in terms of sections 26, 32 and 33 of the Companies Act, 2013.

Statement on Price Information of Past Issues handled by Mark 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.)	Madhya Pradesh Media Today Limited (NSE EMERGE)	14.17.	66.00	September 29, 2017	70.00	36.89% 5.46%	100.45 % 7.58%	90.90% 7.43%
2.)	Tasty Dairy Specialities Limited (BSE SME)	24.44	45.00	February 21, 2018	50.75	(2.25%) 7.75%	(3.30%) 2.27%	N.A N.A
3.)	Godha Cabcon & Insulation Limited (NSE EMERGE)	9.90	33.00	May 11, 2018	30.25	-	-	-

Source: Price Information www.nseindia.com/emerge and www.bsesme.com; Issue Information from respective Prospectus.

Note:

- Based on date of listing.
- NIFTY has been considered as the benchmark index.
- Prices on BSE/ NSE are considered for all of the above calculations.
- In case 30th/90th/180th day is not a trading day, closing price on BSE/NSE of the next trading day has been considered.
- In case 30th /90th /180th day, scrips are not traded then last trading price has been considered.
- N.A. – Period not completed.

Summary statement of price information of past issues (during current financial year and two financial years preceding the current financial year) handled by the Mark 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%
2017-2018	2	38.61	0	0	0	1	Nil	1	0	0	0	1	0	0
2018-2019	1	9.90	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A

Disclaimer from our Company, Director and the Mark Corporate Advisors Private Limited

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 would be doing so at his or her own risk.

The Lead Manager accepts no responsibility, save to the limited extent as provided in the MOU entered between the Lead Manager (Mark Corporate Advisors Private Limited) and our Company on May 19, 2018 and the Underwriting Agreement dated [•] entered into between the Underwriters and our Company and the Market Making Agreement dated [•] entered into among the Market Maker and our Company.

All information shall be made available by our Company and the Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centers or elsewhere.

The Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, Group Entities, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, Group Entities, and our affiliates or associates, for which they have received and may in future receive compensation.

Caution

Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the Issue.

Disclaimer in Respect of Jurisdiction

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are majors, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, cooperative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2 (72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of ₹2500.00 (Twenty Five Hundred) Lakhs and pension funds with a minimum corpus of ₹2,500.00 (Twenty Five Hundred) Lakhs, and permitted non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. This Draft Prospectus does not, however, constitute an offer to sell or an invitation to subscribe for Equity Shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions.

Any dispute arising out of this Issue will be subject to jurisdiction of the competent court(s) in Mumbai, India 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 hereby 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 no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

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

Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Shares or create any

economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws, legislations and Prospectus in each jurisdiction, including India.

Disclaimer Clause of the NSE

As required, a copy of this Issue Document has been submitted to NSE. National Stock Exchange of India Limited ("NSE") has given vide its letter [●] dated [●] permission to the Issuer to use the Exchange's name in this Issue Document as one of the stock exchanges on which this Issuer's securities are proposed to be listed on NSE EMERGE. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

Disclaimer Clause under Rule 144A of the U.S. Securities Act

The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

Filing

The Draft Prospectus is being filed with National Stock Exchange of India Limited, Exchange Plaza,C-1,G Block Bandra Kurla Complex, Mumbai-400 051.

This Draft Prospectus shall not be filed with the SEBI nor will SEBI issue any observation on the Prospectus in term of Regulation 106(M) (3) of the SEBI (ICDR) Regulations. However, a copy of the Prospectus shall be filed with SEBI at the Securities and Exchange Board of India, 7th Floor, 756-L,Anna Salai, Chennai - 600002, Tamil Nadu, for their record purpose only.

A copy of the Prospectus, along with the documents required to be filed under Section 26 of the Companies Act, 2013 would be delivered for registration to the Registrar of Companies, Andhra Pradesh & Telangana.

Listing

The Equity Shares of our Company are proposed to be listed on NSE EMERGE. Our Company has obtained in principle approval from National Stock Exchange of India Limited (“NSE”) by way of its letter dated [●] for listing of equity shares on NSE.

NSE will be 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 by NSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of this Draft Prospectus. If such money is not repaid within the prescribed time then our Company becomes liable to repay it, then our Company and every officer in default shall, shall be liable to repay such application money, with interest, as prescribed under the applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the NSE mentioned above are taken within 6 (Six) Working Days of the Issue Closing Date. If Equity Shares are not Allotted pursuant to the Issue within 6 (Six) Working Days from the Issue Closing Date or within such timeline as prescribed by the SEBI, our Company shall repay with interest all monies received from applicants, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period, subject to applicable law.

Impersonation

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

Any person who-

(a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

(b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

Shall be liable to action under section 447 of the Companies, Act 2013. The liability prescribed under Section 447 of the Companies Act, 2013, includes imprisonment for a term of not less than six months extending up to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

Consents

Consents in writing of (a) our Directors, our Promoters, our Company Secretary & Compliance Officer, Chief Financial Officer, our Statutory Auditor, our Peer Review Auditor (b) Lead Manager, Registrar to the Issue, Banker(s) to the Issue*, Legal Advisor to the Issue, Underwriter(s) to the Issue and Market Maker to the Issue to act in their respective capacities have been obtained as required under Section 26 of the Companies Act, 2013 and shall be filed along with a copy of the Prospectus with the RoC, as required under Sections 32 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

*The aforesaid will be appointed prior to filing of the Prospectus with RoC and their consents as above would be obtained prior to the filing of the Prospectus with RoC.

In accordance with the Companies Act and the SEBI (ICDR) Regulations, M/s Karvy & Co., Chartered Accountants, Statutory & Peer Review Auditors of the Company has agreed to provide their written consent to the inclusion of their respective reports on Statement of Possible Tax Benefits relating to the possible tax benefits and restated financial statements as included in this Draft Prospectus/Prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of this Draft Prospectus.

Experts Opinion

Except for the reports in the section titled “*Financial information of the Company*” and “*Statement of Tax Benefits*” beginning on page 120 and page 64 of this Draft Prospectus from the Peer Review Auditors and Statutory Auditor respectively, our Company has not obtained any expert opinions.

Expenses of the Issue

The total expenses of the Issue are estimated to be approximately ₹160.00 Lakhs, which is 11.76 % of the Issue size. The estimated Issue related expenses include Issue Management Fee, underwriting and management fees SCSB’s commission/ Selling commission, fees, printing and distribution expenses, legal fees, statutory advertisement expenses, registrar and depository fees and listing fees. All expenses with respect to the Issue would be paid by our company.

The estimated Issue expenses are as under:

Sr.No.	Particulars	Amount (In Lakhs)	Percentage Of Total Estimated Issue Expenditure	%of Issue Size
1.)	Payment to Merchant Banker including, underwriting and selling commissions, brokerages, payment to other intermediaries such as Legal Advisors, Bankers etc and other out of pocket expenses	[•]	[•]	[•]
2.)	Printing and Stationery and postage expenses, Advertising and Marketing expenses	[•]	[•]	[•]
3.)	Regulatory fees and expenses	[•]	[•]	[•]
	Total estimated Issue Expenses	220.52	100.00%	11.76%

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

Fees, Brokerage and Selling Commission payable to the Lead Manager

The total fees payable to the Lead Manager will be as per the (i) Memorandum of Understanding dated May 19, 2018 with the Lead Manager Mark Corporate Advisors Private Limited, (ii) the Underwriting Agreement dated [•] with Underwriter and (iii) the Market Making Agreement dated [•] with Market Maker, a copy of which is available for inspection at our Registered Office from 10.00 am to 5.00 pm on Working Days from the date of the Draft Prospectus until the Issue Closing Date.

Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue for processing of applications, data entry, printing of CAN, tape and printing of bulk mailing register will be as per the MOU between our Company and the Registrar to the Issue dated May 19, 2018 a copy of which is available for inspection at our Company’s Registered Office.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty, and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable it to send allotment advice by registered post/speed post.

Particulars regarding Public or Rights Issues during the last five (5) years

Except as disclosed in chapter titled “*Capital Structure*” beginning on page 46 in this Draft Prospectus, our Company has not made any previous public or rights issue in India or Abroad the 5 (five) years preceding the date of this Draft Prospectus.

Previous issues of Equity Shares otherwise than for cash

For a detailed description, see chapter titled “*Capital Structure*” beginning on page 46 of this Draft Prospectus.

Underwriting Commission, brokerage and selling commission on Previous Issues

Since this is the initial public offering of our Company's Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares since our incorporation.

Particulars in regard to our Company and other listed group-companies / subsidiaries/ associates under the same management within the meaning of Section 370(1B) of the Companies Act, 1956 / Section 186 of the Companies Act, 2013 which made any capital issue during the last three years:

Neither our Company nor any other companies under the same management within the meaning of Section 370(1B) of the Companies Act, 1956 has made/Section 186 of the Companies Act, 2013, had made any public issue or rights issue during the last three years.

Performance vis-a-vis objects – Public/right issue of our Company and /or listed Group Companies/ subsidiaries and associates of our Company

Except as stated in the chapter titled "*Capital Structure*" beginning on page 46 of this Draft Prospectus our Company has not undertaken any previous public or rights issue. None of the Group Companies/ Entities or associates of our Company are listed on any stock exchange.

Performance vis-a-vis objects - Last Issue of Group/Associate Companies

Not Applicable

Outstanding Debentures or Bond Issues or Redeemable Preference Shares

Our Company does not have any outstanding debentures or bonds or Preference Redeemable Shares as on the date of filing this Draft Prospectus.

Outstanding Convertible Instruments

Our Company does not have any outstanding convertible instruments as on the date of filing this Draft Prospectus.

Option to Subscribe

Equity Shares being offered through the Draft Prospectus can be applied for in dematerialized form only.

Stock Market Data of the Equity Shares

This being an Initial Public Offering of the Equity Shares of our Company, the Equity Shares are not listed on any Stock Exchanges.

Mechanism for Redressal of Investor Grievances

The agreement between the Registrar to the Issue and our Company provides for retention of records with the Registrar to the Issue for a period of at least 3 (three) years from the last date of dispatch of the letters of allotment and demat credit to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

We hereby confirm that there is no investor complaints received during the three years preceding the filing of Draft Prospectus. Since there is no investor complaints received, none are pending as on the date of filing of this Draft Prospectus. All grievances relating to the Issue may be addressed to the Registrar to the Issue, with a copy to the Compliance Officer and with a copy to the relevant Designated Intermediary with whom the Application Form was submitted.

The Applicant should give full details such as name of the sole/ first Applicant, Application Form number, Applicant DP ID, Client ID, PAN, date of the Application Form, address of the Applicant, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Application Form was submitted by the Applicant. Further,

the investor shall also enclose the Acknowledgement Slip from the Designated Intermediaries in addition to the documents or information mentioned herein above.

Disposal of Investor Grievances by our Company

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be 15(fifteen) Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Ms. Ekta Sharma as the Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Contact details for our Company Secretary and Compliance Officer are as follows:

Tejaswi Packaging Limited
Plot No 6A, Phase I, IDA, Cherlapally,
Ranga Reddy, Hyderabad-500 051
Tel. No.:+91 9912 890 853
E-Mail ID: compliance@tejaswipackaging.com
Website: www.TejaswiPackaging.com

The Stakeholders' Relationship Committee was constituted by a resolution of our Board dated April 02, 2018. The constitution of the Stakeholders' Relationship committee is as follows:

NAME	CATEGORY	DESIGNATION
Mr. Anantha Narayana Katakam	Independent Director	Chairman
Mr. Alapaty Hari Hara Prasad	Chairman & Managing Director	Member
Mr. Alapati Kranthi Teja	Non-Executive Director	Member
Ms. Ekta Sharma	Company Secretary	Secretary

For further details, see chapter titled “*Our Management*” beginning on page 101 of this Draft Prospectus.

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account etc.

Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web based complaints redress system “SCORES”. This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website www.scores.gov.in

Status of Investor Complaints

We confirm that we have not received any investor complaint during the three years preceding the date of this Draft Prospectus and hence there are no pending investor complaints as on the date of this Draft Prospectus.

Disposal of investor grievances by listed companies under the same management as our Company

We do not have any listed company under the same management.

Change in Auditors during the last three (3) years

Our Company has appointed M/s Karvy & Co., Chartered Accountants in place of M/s P. Ramana Rao & Co, Chartered Accountants, who has resigned due to pre-occupation, during the financial year 2017-2018.

Capitalization of Reserves or Profits

Our Company has capitalized its reserves or profits in the last 5 (five) years for issue of Bonus Shares in the ratio 9:1.

Revaluation of Assets

Our Company has not revalued its assets in 5 (five) years preceding the date of this Draft Prospectus.

Tax Implications

Investors who are allotted Equity Shares in the Issue will be subject to capital gains tax on any resale of the Equity Shares at applicable rates, depending on the duration for which the investors have held the Equity Shares prior to such resale and whether the Equity Shares are sold on the Stock Exchanges. For details, please refer the chapter titled “*Statement of Tax Benefits*” beginning on page no. 64 of this Draft Prospectus.

Purchase of Property

As disclosed in chapter titled “*Our Business*” on page no. 79 of the Draft Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of the Draft Prospectus.,

Servicing Behavior

Except as stated in this Draft Prospectus, there has been no default in payment of statutory dues or of interest or principle in respect of our borrowings or deposits.

Payment or benefit to officers of Our Company

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company or superannuation.

Except as disclosed in chapter titled “*Our Management*” beginning on page 101 and “*Related Party Transactions*” beginning on page 137 of this Draft Prospectus, none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

SECTION VII - ISSUE INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued pursuant to this issue shall be subject to the provision of the Companies Act, SEBI (ICDR) Regulations, 2009, SCRA, SCRR, Memorandum and Articles, the terms of this Draft Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note ('CAN') and other terms and conditions as may be incorporated in the Allotment advices and other documents/ certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing of securities issued from time to time by SEBI, the Government of India, NSE, ROC, RBI and / or other authorities, as in force on the date of the Issue and to the extent applicable.

Please note that, in accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants has to compulsorily apply through the ASBA Process.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.

Ranking of Equity Shares

The Equity Shares being issued and transferred in the Issue shall be subject to the provisions of the Companies Act, 2013 and the Memorandum & Articles of Association and shall rank *pari-passu* with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees upon receipt of Allotment of Equity Shares under this issue will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of allotment in accordance with Companies Act, 2013 and the Articles. For further details, please refer to the section titled, 'Main Provisions of the Articles of Association of the Company' beginning on page number 219 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 April 02, 2018 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 April 09, 2018

Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act, 2013 and recommended by the Board of Directors at their discretion and approved by the shareholders and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act, 2013. For further details, please refer to the chapter titled 'Dividend Policy' and "Main Provisions of the Articles of Association" beginning on pages 119 and 219 of this Draft Prospectus.

Face Value and Issue Price

The Equity Shares having a face value of ₹10 each are being offered in terms of this Draft Prospectus at the price of ₹ 59 per Equity Share. The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the chapter titled 'Basis for Issue Price' beginning on page 62 of this Draft Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

Compliance with SEBI (ICDR) Regulations

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, our 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 or e-voting, in accordance with the provisions of the Companies Act;
- Right to receive annual reports and notices to members;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability, subject to applicable laws and regulations; and the Articles of Association of our Company; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act and the Memorandum and Articles of Association of the Company.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see ‘Main Provisions of Articles of Association’ beginning on page 219 of this Draft Prospectus.

Minimum Application Value, Market Lot and Trading Lot

As per the provisions of the Depositories Act, 1996 & regulations made thereunder and Section 29 (1) of the Companies Act, 2013, the equity shares of a body corporate can be in dematerialized form i.e. not in the form of physical certificates, but be fungible and be represented by the statement issued through electronic mode. The trading of the Equity Shares will happen in the minimum contract size of 2,000 Equity Shares and the same may be modified by the NSE 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 2,000 Equity Shares subject to a minimum allotment of 2,000 Equity Shares to the successful Applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

Minimum Number of Allottees

Further in accordance with the Regulation 106R of SEBI (ICDR) Regulations, the minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and all the monies blocked by SCSBs shall be unblocked within four (4) working days of closure of Issue.

Joint Holders

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

Jurisdiction

Exclusive Jurisdiction for the purpose of this Issue is with the competent courts/authorities in Hyderabad, India.

The Equity Share have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be issued or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being issued and sold only outside the United States in off-shore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those issues and sales occur.

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

Nomination Facility to Bidders

In accordance with Section 72 of the Companies Act, 2013, read with Companies (Share Capital and Debentures) Rules, 2014, the sole Applicant, or the first Applicant along with other joint Applicants, may nominate any one person in whom, in the event of the death of sole Applicant or in case of joint Applicants, death of all the Applicants, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of Equity Share(s) by the person nominating. A buyer will be titled to make afresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or Corporate Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

- a) to register himself or herself as the holder of the Equity Shares; or
- b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may, at any time, give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board may, thereafter, withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the Applicants require changing of their nomination, they are requested to inform their respective depository participant.

Restrictions, if any on Transfer and Transmission of Equity Shares

Except for the lock-in of the pre-Issue capital of our Company, Promoters' minimum contribution as provided in "*Capital Structure*" on page no. 46 of this Draft Prospectus, and except as provided in the Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, please refer "*Main Provisions of Articles of Association*" on page 219 of this Draft Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated here in above. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

Withdrawal of the Issue

Our Company in consultation with the LM, reserve the right to not to proceed with the Issue after the Bid/Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two (2) days of the Bid/Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager through, the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one (1) Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC. If our Company withdraws the Issue after the Bid/ Issue Closing Date and thereafter determines that

it will proceed with an issue/issue for sale of the Equity Shares, our Company shall file a fresh Prospectus with Stock Exchange.

Minimum Subscription

This Issue is not restricted to any minimum subscription level and is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the issue through the Issue Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

In accordance with Regulation 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 issue through the Prospectus and shall not be restricted to the minimum subscription level.

Further, 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 be allotted will not be less than 50 (Fifty).

Further, in accordance with Regulation 106(Q) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than ₹1,00,000 (Rupees One Lac only) per application.

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

Migration to Main Board

Our company may migrate to the main board of NSE at a later date subject to the following:

- a) If the Paid up Capital of our Company is likely to increase above ₹25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), our Company shall apply to NSE for listing of its shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

- b) If the paid-up Capital of our company is more than ₹10 Crores but below ₹25 Crores, our Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

Market Making

The shares offered through this issue is proposed to be listed on the NSE EMERGE wherein the Lead Manager to the issue shall ensure compulsory Market Making through registered Market Makers of the NSE for a minimum period of three years from the date of listing of shares offered through this Draft Prospectus. For further details of the Market Making arrangement see chapter titled “General Information-Details of the Market Making Arrangements for this Issue” beginning on page 40 of this Draft Prospectus.

In accordance with 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)
Up to ₹20 Crores	25%	24%
₹20 Crores to ₹50 Crores	20%	19%
Above ₹50 Crores to ₹80 Crores	15%	14%
Above ₹80 Crores	12%	11%

Further, the following shall apply to market maker 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 maker.
- 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.
- Provided, where there is any SEBI debarment order against the company/its promoters/directors, while the SEBI debarment is in force against the company/its promoters/directors, it shall be mandatory for the company to appoint a trading member of NSE as a market maker even after the completion of mandatory period of three years. In case of any default during market making the penalties/actions will be imposed as per the existing guidelines.

Arrangements for disposal Of Odd Lots

The trading of the Equity Shares will happen in the minimum contract size of 2000 shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the NSE SME Platform.

Restrictions, if any, on Transfer and Transmission of Shares or Debentures and on their Consolidation or Splitting

Except for lock-in of the pre-Issue Equity Shares and Promoter's minimum contribution in the Issue as detailed in the chapter '*Capital Structure*' beginning on page no. 46 of this Prospectus and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. For details please refer to the section titled '*Main Provisions of the Articles of Association*' beginning on page no. 219 of this Draft Prospectus. The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

Option to receive securities in Dematerialized Form

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

New Financial Instruments

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

Application by eligible NRIs, FPIs Registered with SEBI, VCFs, AIFs registered with SEBI and QFIs.

It is to be understood that there is no reservation for Eligible NRIs or FPIs or QFIs or VCFs or AIFs registered with SEBI. Such Eligible NRIs, QFIs, FPIs, VCFs or AIFs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

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 face value capital is not more than ₹10 Crore, 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 NSE). For further details regarding the salient features and terms of such an issue please refer chapter titled "*Terms of the Issue*" and "*Issue Procedure*" on page 169 and 177 of this Draft Prospectus.

The Issue is being made by way of Fixed Price method.

Following is the Issue Structure:

Public Issue of 23,06,000 Equity shares of face value of ₹10 each fully paid (the 'Equity Shares') for cash at a price of ₹59 per Equity Share aggregating to ₹1360.54 Lakhs ('the Issue') by our Company. The Issue comprises a Net Issue to Public of 21,48,000 Equity Shares ('the Net Issue') and a reservation of 1,58,000 Equity Shares for cash at a price of ₹59 per Equity Share aggregating of ₹ 93.22 Lakhs by the designated Market Maker ('the Market Maker Reservation Portion').

Particulars of the Issue	Net Issue to Public*	Maker Reservation Portion
Number of Equity Shares available for allocation	21,48,000 Equity Shares	1,58,000 Equity Shares
Percentage of Issue Size available for allocation	93.15 % of the Issue Size	6.85% of the Issue Size
Basis of Allotment	Proportionate basis, subject to minimum allotment of 2,000 Equity Shares each. For further details, please refer to the ' <i>Issue Procedure- Basis of Allotment</i> ' on page no. 177 of this Draft Prospectus	Firm Allotment
Mode of Application	All the Applicants (online & physical) through ASBA process	Through ASBA process only
Minimum Application Size	<i>For QIB & HNI:</i> Such number of Equity Shares in multiples of 2,000 Equity Shares such that the application size exceeds ₹2,00,000	1,58,000 Equity Shares
	<i>For Retail Individuals:</i> 2,000 Equity Shares	
Maximum Application Size	<i>For QIB & HNI:</i> Such number of Equity Shares in multiples 2,000 Equity Shares such that application size does not exceed 21,48,000 Equity Shares	1,58,000 Equity Shares
	<i>For Retail Individuals:</i> Such number of Equity Shares in multiples of 2,000 Equity Shares such that application value does not exceed ₹2,00,000	
Mode of Allotment	Dematerialized form only	Dematerialized form only
Trading Lot	2,000 Equity Shares	2,000 Equity Shares
Terms of Payment	The entire bid amount will be payable at the time of submission of the Application Form	

This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time.

*As per Regulation 43, sub regulation (4) of SEBI (ICDR) Regulations, the allocation in the net issue to 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 clauses (a) or (b) may be allocated to applicants in the other category

For the purpose of Regulation 43(4), if the retail individual investor category is entitled to more than fifty percent, on proportionate basis, the retail individual investors shall be allocated that higher percentage.

* In case of joint Application, 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.

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 NSE 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 Managers, 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.

Bid/Issue Programme:

Issue Opening Date	<input type="text"/>
Issue Closing Date	<input type="text"/>

Applications and any revision to the same (except that on the Issue Closing Date) 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. On the Issue Closing date application and revision to the same will be accepted between 10.00 a.m. and 3.00 p.m. Applications will be accepted only on Working Days, i.e., all trading days of stock exchange excluding Sundays and bank holidays.

ISSUE PROCEDURE

All Applicants should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI ("General Information Document") included below under section 'PART B-General Information Document', which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI ICDR Regulations as amended. The General Information Document has been updated to include reference to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, SEBI (Listing Obligation and Disclosure Regulations), 2015. The General Information Document is also available on the websites of the Stock Exchange and the Lead Manager. Please refer to the relevant portions of the General Information Document which are applicable to this 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 do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company and 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 this Draft Prospectus and the Final Prospectus.

This section applies to all the Applicants, Please note that all the Applicants are required to make payment of the full Application Amount along with the Application Form.

PART A

Fixed Price Issue Procedure

This Issue is being made in terms of Regulation 106(M)(1) of Chapter XB of SEBI (ICDR) Regulations, 2009 via Fixed Price Process.

Applicants are required to submit their Applications to the designated intermediaries such as SCSB or Registered Brokers of Stock Exchanges or Registered Registrars to the Issue and Share Transfer Agents (RTAs) or Depository Participants (DPs) registered with SEBI.

In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing.

In case of Non-Institutional Applicants and Retail Individual Applicants, our Company would have a right to reject the Applications only on technical grounds.

As per the provisions of Section 29(1) of the Companies Act, 2013, the Allotment of Equity Shares in the Issue shall be only in a de-materialized form. The Equity Shares on Allotment shall, however, be traded only in the dematerialized segment of the Stock Exchange.

Our Company or the Lead Managers will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency. There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.

Application Form

Pursuant to SEBI Circular dated January 01, 2016 and bearing No. CIR/CFD/DIL/1/2016, the Application Form has been standardized. Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Draft Prospectus. The Application Form shall contain space for indicating number of specified securities subscribed for in demat form.

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

The prescribed color of the Application Form for various categories is as follows:

Category	Color of Application Form
Resident Indians and Eligible NRIs applying on a non- repatriation basis (ASBA)	White
Eligible NRIs, FVCIs, FIIs, their Sub-Accounts (other than Sub-Accounts which are foreign corporates or foreign individuals bidding under the QIB Portion), applying on a repatriation basis (ASBA)	Blue

In accordance with SEBI circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants has to compulsorily apply through the ASBA Process.

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Draft Prospectus. An Investor, intending to subscribe to this Issue, shall submit a completed application form to any of the following Intermediaries (collectively called "*Designated Intermediaries*")

Sr. No.	Designated Intermediaries
1)	An SCSB, with whom the bank account to be blocked, is maintained
2)	A syndicate member (or sub-syndicate member)
3)	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('Broker')
4)	A depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible)
5)	A registrar to an issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of the Stock Exchange will be done by:

For applications submitted by investors to SCSB	:	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs	:	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange(s). Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.

Availability of Prospectus and Application Forms

The Application Forms and copies of the Prospectus may be obtained from the Registered Office 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 and the Registrar to the Issue as mentioned in the Application Form. The application forms may also be downloaded from the website of National Stock Exchange of India Limited i.e. www.nseindia.com/emerger

Who can apply?

Persons eligible to invest under all applicable laws, rules, regulations and guidelines: -

- Indian national's 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;
- 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;
- Companies, Corporate Bodies and Societies registered under the applicable laws in India and authorized to invest in the Equity Shares under the irrespective constitutional and charter documents;
- Mutual Funds registered with SEBI;
- 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;
- 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);
- 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;
- Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals only under the Non-Institutional applicant's category;
- Alternative Investment Funds, Venture Capital Funds, Foreign Venture Capital Investors registered with SEBI;
- Portfolio Manager registered with SEBI;
- State Industrial Development Corporations;
- 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;
- Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- Provident Funds with minimum corpus of ₹2,500 Lakhs and who are authorized under their constitution to hold and invest in equity shares;
- Pension Funds with minimum corpus of ₹2,500 Lakhs and who are authorized under their constitution to hold and invest in equity shares;
- Multilateral and Bilateral Development Financial Institutions;
- National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- Insurance funds set up and managed by army, navy or air force of the Union of India

As per the existing regulations, OCBs cannot participate in this Issue.

Participation by Associates/Affiliates of Lead Manager and Syndicate Members

The Lead Manager and the Syndicate Member shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the Lead Manager and Syndicate Member, if any, may subscribe to Equity Shares in the Issue, either in the QIB Portion and Non-Institutional Portion, as may be applicable to such applicants, where the allotment is on a proportionate basis. All categories of Applicants, including associates and affiliates of the Lead Manager and the Syndicate Member, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Option to Subscribe in the Issue

- a) As per Section 29(1) of the Companies Act 2013, Investors will get the allotment of Equity Shares in dematerialization form only.
- b) The Equity Shares, on allotment, shall be traded on Stock Exchange in demat segment only.
- c) In a single Application Form 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.

Application by Indian Public including Eligible NRIs applying on Non-Repatriation basis

Application must be made only in the names of individuals, limited companies or Statutory Corporations / Institutions and not in the names of minors, foreign nationals, non-residents (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 HUF's applications shall be made by the Karta of the HUF. An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public. Eligible NRIs applying on a non-repatriation basis may make payments by inward remittance in foreign exchange through normal banking channels or by debits to NRE / FCNR accounts as well as NRO accounts.

Applications by Eligible NRIs/RFPIs on Repatriation Basis

Application Forms have been made available for eligible NRIs at our Registered Office and at the Registered Office of the Lead Manager. Eligible NRI Applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment under the reserved category. The eligible NRIs who intend to make payment through Non-Resident Ordinary (NRO) accounts shall use the Forms meant for Resident Indians and should not use the forms meant for the reserved category. Under FEMA, general permission is granted to companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRIs subject to the terms and conditions stipulated therein. Companies are required to file the declaration in the prescribed form to the concerned Regional Office of RBI within 30 days from the date of issue of shares for allotment to NRIs on repatriation basis. Allotment of equity shares to Non-Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in equity shares will be allowed to be repatriated along with the income thereon subject to permission of the RBI and subject to the Indian tax laws and regulations and any other applicable laws.

As per the current regulations, the following restrictions are applicable for investments by FPIs:

- 1) Foreign Portfolio Investor shall invest only in the following securities, namely- (a) Securities in the primary and secondary markets including shares, debentures and warrants of companies, listed or to be listed on a recognized stock exchange in India; (b) Units of schemes floated by domestic mutual funds, whether listed on a recognized stock exchange or not; (c) Units of schemes floated by a collective investment scheme; (d) Derivatives traded on a recognized stock exchange; (e) Treasury bills and dated government securities; (f) Commercial papers issued by an Indian company; (g) Rupee denominated credit enhanced bonds; (h) Security receipts issued by asset reconstruction companies; (i) Perpetual debt instruments and debt capital instruments, as specified by the Reserve Bank of India from time to time; (j) Listed and unlisted non-convertible debentures/bonds issued by an Indian company in the infrastructure sector, where 'infrastructure' is defined in terms of the extant External Commercial Borrowings (ECB) guidelines; (k) Non-convertible debentures or bonds issued by Non-Banking Financial Companies categorized as 'Infrastructure Finance Companies' (IFCs) by the Reserve Bank of India; (l) Rupee denominated bonds or units issued by infrastructure debt funds; (m) Indian depository receipts; and (n) Such other instruments specified by the Board from time to time.
- 2) Where a foreign institutional investor or a sub account, prior to commencement of these regulations, holds equity shares in a company whose shares are not listed on any recognized stock exchange, and continues to hold such shares after initial public offering and listing thereof, such shares shall be subject to lock-in for the same period, if any, as is applicable to shares held by a foreign direct investor placed in similar position, under the policy of the Government of India relating to foreign direct investment for the time being in force.
- 3) In respect of investments in the secondary market, the following additional conditions shall apply:
 - (a) A foreign portfolio investor shall transact in the securities in India only on the basis of taking and giving delivery of securities purchased or sold;
 - (b) Nothing contained in clause (a) shall apply to:
 - (i) Any transactions in derivatives on a recognized stock exchange;
 - (ii) Short selling transactions in accordance with the framework specified by the Board;
 - (iii) Any transaction in securities pursuant to an agreement entered into with the merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter

XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

- (iv) Any other transaction specified by the Board.
- (c) No transaction on the stock exchange shall be carried forward;
- (d) The transaction of business in securities by a foreign portfolio investor shall be only through stock brokers registered by the Board; provided nothing contained in this clause shall apply to:
 - (i) transactions in Government securities and such other securities falling under the purview of the Reserve Bank of India which shall be carried out in the manner specified by the Reserve Bank of India;
 - (ii) Sale of securities in response to a letter of offer sent by an acquirer in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (iii) Sale of securities in response to an offer made by any promoter or acquirer in accordance with the Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009;
 - (iv) Sale of securities, in accordance with the Securities and Exchange Board of India (Buyback of securities) Regulations, 1998;
 - (v) Divestment of securities in response to an offer by Indian Companies in accordance with Operative Guidelines for Disinvestment of Shares by Indian Companies in the overseas market through issue of American Depository Receipts or Global Depository Receipts as notified by the Government of India and directions issued by Reserve Bank of India from time to time;
 - (vi) Any bid for, or acquisition of, securities in response to an offer for disinvestment of shares made by the Central Government or any State Government;
 - (vii) Any transaction in securities pursuant to an agreement entered into with merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (viii) Any other transaction specified by the Board.
- (e) A foreign portfolio investor shall hold, deliver or cause to be delivered securities only in dematerialized form:

Provided that any shares held in non-dematerialized form, before the commencement of these regulations, can be held in non-dematerialized form, if such shares cannot be dematerialized.

Unless otherwise approved by the Board, securities shall be registered in the name of the foreign portfolio investor as a beneficial owner for the purposes of the Depositories Act, 1996.

- 4) The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below ten percent of the total issued capital of the company.
- 5) The investment by the foreign portfolio investor shall also be subject to such other conditions and restrictions as may be specified by the Government of India from time to time.
- 6) In cases where the Government of India enters into agreements or treaties with other sovereign Governments and where such agreements or treaties specifically recognize certain entities to be distinct and separate, the Board may, during the validity of such agreements or treaties, recognize them as such, subject to conditions as may be specified by it.
- 7) A foreign portfolio investor may lend or borrow securities in accordance with the framework specified by the Board in this regard.

No foreign portfolio investor may issue, subscribe to or otherwise deal in offshore derivative instruments, directly or indirectly, unless the following conditions are satisfied:

- (a) Such offshore derivative instruments are issued only to persons who are regulated by an appropriate foreign regulatory authority;
- (b) Such offshore derivative instruments are issued after compliance with know your client's norms:

Provided that those unregulated broad-based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated shall not issue, subscribe or otherwise deal in offshore derivatives instruments directly or indirectly:

Provided further that no Category III foreign portfolio investor shall issue, subscribe to or otherwise deal in offshore derivatives instruments directly or indirectly.

A foreign portfolio investor shall ensure that further issue or transfer of any offshore derivative instruments issued by or on behalf of it is made only to persons who are regulated by an appropriate foreign regulatory authority. Foreign portfolio investors shall fully disclose to the Board any information concerning the terms of and parties to off-shore derivative instruments such as participatory notes, equity linked notes or any other such instruments, by whatever names they are called, entered into by it relating to any securities listed or proposed to be listed in any stock exchange in India, as and when and in such form as the Board may specify.

Any offshore derivative instruments issued under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 before commencement of SEBI (Foreign Portfolio Investors) Regulations, 2014 shall be deemed to have been issued under the corresponding provisions of SEBI (Foreign Portfolio Investors) Regulations, 2014.

The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below 10% of the total issued capital of the company.

A FII or its subaccount which holds a valid certificate of registration shall, subject to payment of conversion fees, be eligible to continue to buy, sell or otherwise deal in securities till the expiry of its registration as a foreign institutional investor or sub-account, or until he obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

A qualified foreign investor may continue to buy, sell or otherwise deal in securities subject to the provisions of the SEBI (Foreign Portfolio Investors) Regulations, 2014, for a period of one year from the date of commencement of the aforesaid regulations, or until it obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

Application by Mutual Funds

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to reject any application without assigning any reason thereof.

Applications made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Applications are made. 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 single Company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific funds/Schemes. 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 a 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 SEBI registered Alternative Investment Fund (AIF), Venture Capital Funds and Foreign Venture Capital Investors

The SEBI (Venture Capital) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI.

As per the current regulations, the following restrictions are applicable for SEBI registered venture capital funds and foreign venture capital investors:

Accordingly, the holding by any individual venture capital fund registered with SEBI in one company should not exceed 25% of the corpus of the venture capital fund; a Foreign Venture Capital Investor can invest its entire funds committed for investments into India in one company. Further, Venture Capital Funds and Foreign Venture Capital Investor can invest only upto 33.33% of the funds available for investment by way of subscription to an Initial Public Offer.

The SEBI (Alternative Investment Funds) Regulations, 2012 prescribes investment restrictions for various categories of AIF's.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 33.33% of its corpus by way of subscription to an Initial Public Offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulations.

Our Company or the Lead Manager will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis for the purpose of allocation.

Applications by Limited Liability Partnerships

In case of applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof. Limited Liability Partnerships can participate in the Issue only through the ASBA process.

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) Regulations, 2000, as amended (the "IRDA Investment Regulations"), are broadly set forth below:

- 1) *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;
- 2) *The entire group of the Investee Company*: the least of 10% of the respective fund in case of a life insurer or 10% of investment assets in case of a general insurer or re-insurer (25% in case of ULIPS); and
- 3) *The industry sector in which the investee Company operates*: 10% of the insurer's total investment exposure to the industry sector (25% in case of ULIPS).

In addition, the IRDA partially amended the exposure limits applicable to investments in public limited companies in the infrastructure and housing sectors on 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 under Power of Attorney

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with minimum corpus of ₹2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹2,500 Lakhs a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore.

In addition to the above, certain additional documents are required to be submitted by the following entities:

- (a) With respect to applications by VCFs, FVCIs, FIIs and 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 as signing 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 Fund with minimum corpus of ₹2,500 Lakhs (subject to applicable law) and Pension Fund with a minimum corpus of ₹2,500 Lakhs, a certified copy of a certificate from a Chartered Accountant certifying the corpus of the Provident Fund / Pension Fund must be lodged along with the 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 and 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 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 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.

Applications by Banking Companies

In case of Applications made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI and (ii) the approval of such banking company's investment committee are required to be attached to the Application Form, failing which our Company and the Selling Shareholders reserve the right to reject any Application without assigning any reason.

The investment limit for banking companies as per the Banking Regulation Act, 1949 as amended is 30.00% of the paid-up share capital of the investee company or 30.00% of the banks own paid up share capital and reserves, whichever is less (except in certain specified exceptions, such as setting up or investing in a subsidiary, which requires RBI approval). Further, the RBI Master Circular of July 01, 2015 sets forth prudential norms required to be followed for classification, valuation and operation of investment portfolio of banking companies.

Applications by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 02, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such application.

Application by Provident Funds / Pension Funds

In case of applications made by Provident Fund/Pension Fund, subject to applicable laws, with minimum corpus of ₹ 2,500 Lakhs, 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.

Terms of Payment / Payment Instructions

The entire Issue price of ₹59 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 Issue must apply through an ASBA Account maintained with any other SCSB; else their Applications are liable to be rejected.

Maximum and Minimum Application Size

a) For Retail Individual Applicants

The Application must be for a minimum of 2,000 Equity Shares and in multiples of ₹ 2,000 equity shares thereafter, so as to ensure that the Application amount payable by the Applicant does not exceed ₹2,00,000. In case of revision of applications, the Retail Individual Applicants have to ensure that the application amount does not exceed ₹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 ₹2,00,000 and in multiples of 2,000 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 Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB 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 ₹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 Draft Prospectus.

Information for the Applicants

- 1.) Our Company and the Lead Managers shall declare the Issue Opening Date and Issue Closing Date in the Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in one regional newspaper with wide circulation. This advertisement shall be in the prescribed format.
- 2.) Our Company will file the Prospectus with the RoC at least three days before the Issue Opening Date.
- 3.) Any Applicant who would like to obtain the Prospectus and/or the Application Form can obtain the same from our Registered Office.
- 4.) Applicants who are interested in subscribing to the Equity Shares should approach any of the Application Collecting Intermediaries or their authorised agent(s).
- 5.) Applications should be submitted in the prescribed Application Form only. Application Forms submitted to the SCSBs should bear the stamp of the respective intermediary to whom the application form is submitted. Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch. Application Forms submitted by Applicants whose beneficiary account is inactive shall be rejected.
- 6.) The Application Form can be submitted either in physical or electronic mode, to the Application Collecting Intermediaries. Further Application Collecting Intermediary may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account.
- 7.) Except for applications by or on behalf of the Central or State Government and the officials appointed by the courts and by investors residing in the State of Sikkim, the Applicants, or in the case of application in joint names, the first Applicant (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participants transacting in the securities market, irrespective of the amount of transaction. Any Application Form without PAN is liable to be rejected. The demat accounts of Applicants for whom PAN details have not been verified, excluding persons resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be suspended for credit and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Applicants.
- 8.) The Applicants may note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic collecting system of the Stock Exchange by the Bankers to the Issue or 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.

Instructions for completing the Application Form

The Applications should be submitted on the prescribed Application Form and in **BLOCK LETTERS** in **English** only in accordance with the instructions contained herein and in the Application Form. Applications not so made are

liable to be rejected. Application Forms should bear the stamp of the drafts intermediaries otherwise it will be rejected.

Applicants residing at places where the designated branches of the Banker to the Issue are not located may submit/ mail their applications at their sole risk along with Demand payable at Mumbai.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Application Forms in Public Issues using the stock broker (“broker”) network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of NSEi.e.www.nseindia.com.

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’). Applicants should carefully fill in their Depository Account details in the Application Form.

These Demographic Details would be used for all correspondence with the Applicants including mailing of the CANs/ 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.

Basis of Allotment

Allotment will be made in consultation with the NSE. 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 in to the inverse of the oversubscription ratio).
3. For applications where the proportionate allotment works out to less than 2,000 shares the allotment will be made as follows:
 - a) Each successful applicant shall be allotted 2,000 Equity Shares; and
 - b) The successful applicants out of the total applicants for that category shall be determined by the draw 1 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 2,000Equity Shares, the applicant would be allotted Shares by rounding off to the nearest multiple of 2,000Equity Shares subject to a minimum allotment of 2,000equity shares.
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 nearest multiple of 2,000 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 Draft 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) As the retail individual investor category is entitled to more than fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
- b) The balance net offer of shares to the public shall be made available for allotment to
 - i. Individual applicants other than retail individual investors and
 - ii. Other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.
- c) The unsubscribed portion of the net offer to anyone 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 ₹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 NSE.

The Executive Director / Managing Director of National Stock Exchange of India Limited– 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.

Payment by Stock Invest

In terms of the Reserve Bank of India circular No. DBOD No. FSC BC 42/ 24.47.00/ 2003-04 dated November 05, 2003; the option to use the stock invest instrument in lieu of cheques or bank drafts for payment of Application money has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

General Instructions:

Do’s:

- Check if you are eligible to apply;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about Depository Participant and Beneficiary Account are correct as Allotment of Equity Shares will be in the dematerialized form only;
- Each of the Applicants should mention their Permanent Account Number (PAN) allotted under the Income Tax Act, 1961;
- Ensure that the Demographic Details(as defined herein below) are up dated, 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.
- All Applicants should submit their application through ASBA process only.
- Ensure that you have funds equal to the Application Amount in your bank account maintained with the SCSB before submitting the Application Form to the respective Designated Branch of the SCSB;
- Ensure that the Application Form is signed by the account holder in case the applicant is not the account holder. Ensure that you have mentioned the correct bank account number in the Application Form;
- Ensure that you have requested for and receive a acknowledgement\
- Investors shall note that persons banned from accessing capital market are ineligible of investing in the offer.

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 postal order or by stock invest;
- Do not send Application Forms by post; instead submit the same to the Selected Branches/Offices of the Banker to the Issue;
- 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.

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 02, 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 Lead Manager 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 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 2,000 Equity Shares
- Category not ticked;
- Multiple Applications as defined in this Draft 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;
- 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 Regulations 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 the irrespective 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 ₹2,00,000 received after 3.00 pm on the Issue Closing Date;

Impersonation

Attention of the applicants is specifically drawn to the provisions of section 38(1) of the Companies Act, 2013 which is reproduced below:

Any person who:

- 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 Companies Act, 2013 and shall be treated as Fraud.

Signing of Underwriting Agreement

Vide an Underwriting agreement dated [•] this issue is 100% Underwritten.

Filing of the Prospectus with the RoC

The company will file a copy of the Prospectus with the Registrar of Companies, Andhra Pradesh & Telangana in terms of Section 26 of 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. In the pre-issue advertisement, we shall state the Issue Opening Date and the Issue Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule XIII of the SEBI Regulations.

Designated Date and Allotment of Equity Shares

The Company will issue and dispatch letters of allotment/ securities certificates and/ or letters of regret or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Issue Closing Date. In case the Company issues Letters of allotment, the corresponding Security Certificates will be kept ready within two months from the date of allotment thereof or such extended time as may be approved by the National Company Law Tribunal under Section 56 of the Companies Act, 2013 or other applicable provisions, if any. Allottees are requested to preserve such Letters of Allotment, which would be exchanged later for the Security Certificates. After the funds are transferred from the SCSB's to Public Issue Account on the Designated Date, the Company would ensure the credit to the successful Applicants depository account. Allotment of the Equity Shares to the Allottees shall be within one working day of the date of approval of Basis of Allotment by Designated Stock Exchange. Investors are advised to instruct their Depository Participants to accept the Equity Shares that may be allocated/ allotted to them pursuant to this issue.

Payment of Refund

In the event that the listing of the Equity Shares does not occur in the manner described in this Draft Prospectus, the Lead Manager shall intimate Public Issue Bank and Public Issue Bank shall transfer the funds from Public Issue account to Refund Account as per the written instruction from Lead Manager and the Registrar for further payment to the beneficiary applicants.

Undertakings by our Company

The Company undertakes the following:

1. that if our Company do not proceed with the Issue after the Issue Closing Date, the reason thereof shall be given as a public notice in the newspapers to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers in which the Pre- Issue advertisement was published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
2. that if our Company withdraw the Issue after the Issue Closing Date, our Company shall be required to file afresh offer document with the ROC/SEBI, in the event our Company subsequently decides to proceed with the Issue;
3. That the complaints received in respect of this Issue shall be attended to by us expeditiously and satisfactorily;
4. That all steps shall be taken to ensure that listing and commencement of trading of the Equity Shares at the Stock Exchange where the Equity Shares are proposed to be listed are taken within six Working Days of Issue Closing Date or such time as prescribed;
5. That if Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the ICDR Regulations and applicable law for the delayed period;
6. That the letter of allotment/ unblocking of funds to the non-resident Indians shall be dispatched within specified time; and
7. That no further issue of Equity Shares shall be made till the Equity Shares offered through this Draft Prospectus

are listed.

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 Section 40 of the Companies Act, 2013;
2. Details of all monies utilized out of the issue referred to in point 1 above shall be disclosed and continued to be disclosed till the time any part of the issue proceeds remains unutilized under an appropriate separate head in the balance-sheet of the issuer indicating the purpose for which such monies had been utilized;
3. Details of all unutilized monies out of the Issue referred to in 1, 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 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.
5. Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

Withdrawal of the Issue

Our Company, in consultation with the Lead Manager, reserves the right not to proceed with the Issue, in whole or any part thereof at any time after the Issue Opening Date but before the Allotment, with assigning reason thereof. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared within Two days of Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for such decision and. 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. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed. Notwithstanding the foregoing, the Issue is also subject to obtaining the following:

1. The final RoC approval of the Prospectus after it is filed with the concerned RoC.
2. The final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment and if our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an initial public offering of Equity Shares, our Company shall file a fresh prospectus with stock exchange.

Equity Shares in Dematerialized Form with NSDL or CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company has entered into following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- (a) We have entered into tripartite agreement between NSDL, the Company and the Registrar to the Issue dated April 25,2018;
- (b) We have entered into tripartite agreement between CDSL, the Company and the Registrar to the Issue dated May 03,2018;

The Company's Equity shares bear an ISIN Number INE00G901016

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 so this 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 has electronic connectivity with CDSL and NSDL.
- The allotment and 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 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.

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants has to compulsorily apply through the ASBA Process. Our Company and the Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. ASBA Applicants are advised to make the independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

This section is for the information of investors proposing to subscribe to the Issue through the ASBA process. Our Company and the Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section. The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on www.sebi.gov.in. For details on designated branches of SCSB collecting the Application Form, please refer the above mentioned SEBI link.

ASBA Process

A Resident Retail Individual Investor shall submit his Application through an Application Form, either in physical or electronic mode, to the SCSB with whom the bank account of the ASBA Applicant or bank account utilized by the ASBA Applicant (‘ASBA Account’) is maintained. The SCSB shall block an amount equal to the Application Amount in the bank account specified in the ASBA Application Form, physical or electronic, on the basis of an authorization to this effect given by the account holder at the time of submitting the Application.

The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against the allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Application, as the case may be.

The ASBA data shall thereafter be uploaded by the SCSB in the electronic IPO system of the Stock Exchange. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant bank accounts and for transferring the amount allocable to the successful Applicants to the ASBA Public Issue Account. In case of withdrawal / failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Lead Manager.

Applicants are required to submit their Applications, either in physical or electronic mode. In case of application in physical mode, the Applicant shall submit the ASBA Application Format the Designated Branch of the SCSB. In case of application in electronic form, the ASBA Applicant shall submit the Application Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for applying and blocking

funds in the ASBA account held with SCSB, and accordingly registering such Applications.

Who can apply?

In accordance with the SEBI (ICDR) Regulations, 2009 in public issues w.e.f. May 01, 2010 all the investors can apply through ASBA process and after SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all investors must apply through the ASBA Process.

Mode of Payment

Upon submission of an Application Form with the SCSB, whether in physical or electronic mode, each ASBA Applicant shall be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount, in the bank account maintained with the SCSB.

Application Amount paid in cash, by money order or by postal order or by stock invest, or ASBA Application Form accompanied by cash, money order, postal order or any mode of payment other than blocked amounts in the SCSB bank accounts, shall not be accepted.

After verifying that sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the ASBA Application Form till the Designated Date.

On the Designated Date, the SCSBs shall transfer the amounts allocable to the Applicants from the respective ASBA Account in terms of the SEBI Regulations, into the Public Issue Account. The balance amount, if any against the said Application in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue.

The entire Application Amount, as per the Application Form submitted by the respective Applicants, would be required to be blocked in the respective ASBA accounts until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against allocated shares to the Public Issue Account, or until withdrawal / failure of the Issue or until rejection of the Application, as the case may be.

Unblocking of ASBA Account

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the Public Issue Account as per the provisions of section 40(3) of the Companies Act, 2013 and shall unblock excess amount, if any in the ASBA Account. However, the Application Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA, as the case maybe.

PART - B

GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES

This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, 2013 (to the extent notified and in effect), the Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon the notification of the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. Bidders/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 Bidders/Applicants should rely on their own examination of the Issuer and the Issue, and should carefully read the Prospectus /Prospectus before investing in the Issue.

SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken inter-alia through Fixed Price Issues. The purpose of the -General Information Document for Investing in Public Issues| is to provide general guidance to potential Applicants in IPOs, on the processes and procedures governing IPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“SEBI ICDR Regulations, 2009”). Applicants should note that investment in equity and equity related securities involves risk and Applicant should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue; are set out in the Prospectus filed by the Issuer with the Registrar of Companies (“RoC”). Applicants should carefully read the entire Prospectus and the Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the Prospectus, the disclosures in the

Prospectus shall prevail. The Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the LM(s) to the Issue and on the website of Securities and Exchange Board of India (“SEBI”) at www.sebi.gov.in.

For the definitions of capitalized terms and abbreviations used herein Applicants may refer to the section ‘Glossary & Abbreviations’.

SECTION 2: BRIEF INTRODUCTION TO IPOs ON SME EXCHANGE

2.1. Initial Public Offer (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is inter-alia required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations, 2009, if applicable. For details of compliance with the eligibility requirements by the Issuer, Applicants may refer to the Prospectus.

The Issuer may also undertake IPO under chapter XB of the SEBI (ICDR) Regulations, wherein as per:

- Regulation 106M (1): An issuer whose post-issue face value Capital does not exceed Ten Crores rupees shall issue its specified securities in accordance with provisions of this Chapter.
- Regulation 106M (2): An issuer, whose post issue face value capital, is more than Ten Crores rupees and upto Twenty Five Crores rupees, may also issue specified securities in accordance with provisions of this Chapter.

The present Issue is being made under Regulation 106(M) (1) of Chapter XB of SEBI (ICDR) Regulation.

2.2. Other Eligibility Requirements

In addition to the eligibility requirements specified in paragraphs 2.1, an Issuer proposing to undertake an IPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, the Companies Act, 1956 and the Companies Act, 2013 as may be applicable (the —Companies Act), The Securities Contracts (Regulation) Rules, 1957 (the —SCRR), industry-specific regulations, if any, and other applicable laws for the time being in force. Following are the eligibility requirements for making an SME IPO under Regulation 106M (1) of Chapter XB of SEBI (ICDR) Regulation:

- (a.) In accordance with regulation 106(P) of the SEBI (ICDR) Regulations, Issue has to be 100% underwritten and the LM has to underwrite at least [·] % of the total issue size.
- (b.) In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, total number of proposed allottees in the Issue shall be 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 the company becomes liable to repay it, than the Company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under section 40 of the Companies Act, 2013
- (c.) In accordance with Regulation 106(O) of the SEBI (ICDR) Regulations, Company is not required to file any Offer Document with SEBI nor has SEBI issued any observations on the Offer Document. The Lead Manager shall submit the copy of Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.
- (d.) In accordance with Regulation 106(V) of the SEBI ICDR Regulations, the LM has to ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares offered in the Issue.
- (e.) The company should have track record of at least 3 years.
- (f.) The company should have positive cash accruals (earnings before depreciation and tax) from operations for at least 2 financial years preceding the application and its net-worth should be positive.
- (g.) The post issue paid up capital of the company (face value) shall not be more than ₹10 Crores.
- (h.) The Company has Net Tangible assets of at least ₹ 3 crore as per the latest audited financial results.
- (i.) The Net worth (excluding revaluation reserves) of the Company is at least ₹ 3 crore as per the latest audited financial results.
- (j.) The Company has track record of distributable profits in terms of section 123 of Companies Act, 2013 for at least two years out of immediately preceding three financial years and each financial year has a period of at least 12 months or has a Net Worth of ₹ 5 crore.
- (k.) The post-issue paid-up capital of the Company will be ₹ 640.80 lakhs.
- (l.) The Issuer shall mandatorily facilitate trading in demat securities.
- (m.) The Issuer should not be referred to Board for Industrial and Financial Reconstruction.
- (n.) No petition for winding up is admitted by a court or a liquidator has not been appointed of competent jurisdiction against the Company.
- (o.) No material regulatory or disciplinary action should have been taken by any stock exchange or regulatory authority in the past three years against the Issuer.
- (p.) The Company should have a website.
- (q.) There has been no change in the promoter of the Company in the one year preceding the date of filing application to National Stock Exchange of India Limited for listing on their SME platform.

Issuer shall also comply with all the other requirements as laid down for such an Issue under Chapter XB of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, 2009, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to this Issue.

Thus Company is eligible for the Issue in accordance with regulation 106 M (2) and other provisions of chapter XB of the SEBI (ICDR) Regulations as the post issue face value capital exceeds ₹1,000 Lakhs but does not exceed Rs 2,500 Lakhs. Company also complies with the eligibility conditions laid by the National Stock Exchange of India Limited for listing of our Equity Shares.

2.3. Types of Public Issues-Fixed Price Issues and Book Built Issues

In accordance with the provisions of the SEBI ICDR Regulations, 2009, an Issuer can either determine the Issue Price through the Book Building Process ("Book Built Issue") or undertake a Fixed Price Issue ("Fixed Price Issue"). An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in 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 shall 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

Our company may migrate to the Main board of NSE from EMERGE on a later date subject to the following:

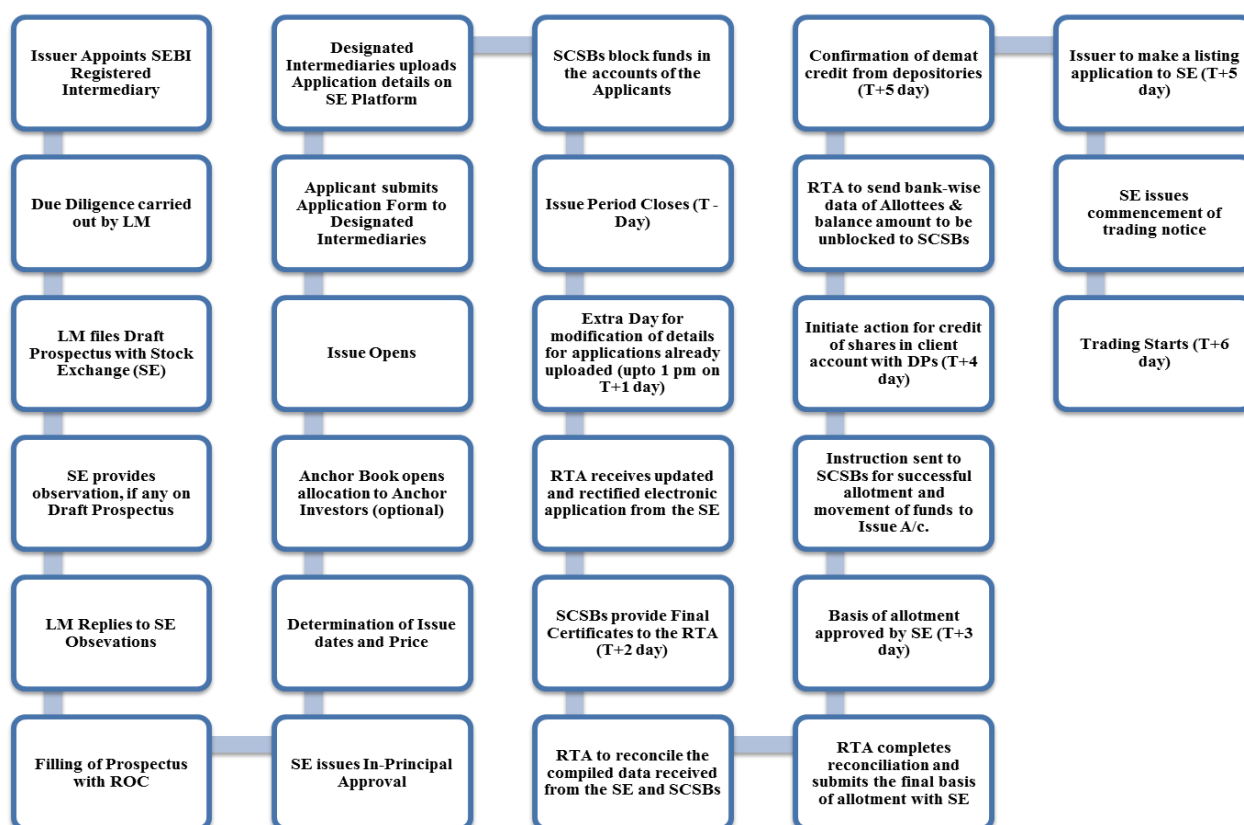
- (a.) If the Paid up Capital of our Company is likely to increase above ₹ 2,500 Lakhs by virtue of any further issue of capital by way of rights issue, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the Main Board), our Company shall apply to NSE for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

- (b.) If the Paid up Capital of our company is more than ₹ 1,000 Lakhs but below ₹ 2,500 Lakhs, our Company may still apply for migration to the Main Board and if the Company fulfils the eligible criteria for listing laid by the Main Board and if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

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. Further, more certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details. Subject to the above, an illustrative list of Applicants is as follows:

- (i.) Indian nationals resident in India who are not incompetent to contract in single or joint names (not more than three) or in the names of minors through natural/legal guardian;
- (ii.) 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;
- (iii.) 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;
- (iv.) Mutual Funds registered with SEBI;
- (v.) 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;
- (vi.) 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);
- (vii.) FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI
- (viii.) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- (ix.) State Industrial Development Corporations;
- (x.) 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 inequity shares;
- (xi.) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- (xii.) Insurance Companies registered with IRDA;
- (xiii.) Provident Funds and Pension Funds with minimum corpus of ₹2,500 Lakhs and who are authorized under their constitution to hold and invest in equity shares;
- (xiv.) Multilateral and Bilateral Development Financial Institutions;
- (xv.) 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;
- (xvi.) Insurance funds set up and managed by army, navy or air force of the Union of India or by Department of Posts, India;
- (xvii.) Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws. As per the existing regulations, OCBs cannot participate in this Issue.

SECTION 4: APPLYING IN THE ISSUE

Fixed Price Issue: Applicants should only use the specified Application Form either bearing the stamp of Application Collecting Intermediaries as available or downloaded from the websites of the Stock Exchanges. Application Forms are available Designated Branches of the SCSBs, at the registered office of the Issuer and at the registered office of LM. For further details regarding availability of Application Forms, Applicants may refer to the Prospectus.

Applicants should ensure that they apply in the appropriate category. The prescribed colour of the Application Form for various categories of Applicants is as follows:

Category	Color of the Application
Resident Indian, Eligible NRIs applying on a non-repatriation basis	White
NRIs, FVCIs, FPIs, their Sub-Accounts (other than Sub-Accounts which are foreign corporate(s) or foreign individuals applying under the QIB), on a repatriation basis	Blue
Anchor Investors (where applicable) & Applicants applying in the reserved category	Not Applicable

Securities Issued in an IPO can only be in dematerialized form in compliance with Section 29 of the Companies Act, 2013. Applicants will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities rematerialized subsequent to allotment.

4.1. Instructions for Filing 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:

Application Form-R

TEAR HERE

PLEASE FILL IN BLOCK LETTERS

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 : _____ CDS No. _____		

LOGO	TO, THE BOARD OF DIRECTORS XYZ LIMITED	FIXED PRICE GME ISSUE INE00000000000	Bid cum Application Form No. _____
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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 _____
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.	2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NDD <input type="checkbox"/> CDIL		6. INVESTOR STATUS	
For NDD: enter 3-digit DP ID followed by 8 digit Client ID / For CDIL: enter 16 digit Client ID		<input type="checkbox"/> Individuals - IND <input type="checkbox"/> Hindu Undivided Family - HUF <input type="checkbox"/> Bodies Corporate - CO <input type="checkbox"/> Banks & Financial Institutions - FI <input type="checkbox"/> Mutual Funds - MF <input type="checkbox"/> Non-Resident Indians - NRI <input type="checkbox"/> Non-Repatriation basis <input type="checkbox"/> National Investment Fund - NIF <input type="checkbox"/> Insurance Funds - IF <input type="checkbox"/> Insurance Companies - IC <input type="checkbox"/> Venture Capital Funds - VCF <input type="checkbox"/> Alternative Investment Funds - AIF <input type="checkbox"/> Others (Please specify) - OTH	
4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")		5. CATEGORY	
Bid Options	No. of Equity Shares Bid (In Figures) (Bid must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹) "Cut-off" (Price in multiples of ₹ 0.05) (In Figures)	<input type="checkbox"/> Retail Investor Bidder <input type="checkbox"/> Non-Institutional Bidder <input type="checkbox"/> QIB
		Bid Price Retail Discount Net Price "Cut-off Priced" (tick)	
Option 1			
(OR) Option 2			
(OR) Option 3			

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 HEREBY CERTIFY THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE SPECIFIC APPLICABLE PROVISIONS OF THE GENERAL INFORMATION DOCUMENT FOR ISSUING IN PUBLIC ISSUES (GID) AND HEREBY AGREE AND CONFIRM THE "BIDDING UNDERTAKING" AS GIVEN OVERLEAF I/WE FOR 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 receipt of Bid in Stock Exchange system)
	I/We authorize the SCSB to do all acts as are necessary to make the Application in the form:	
	1) _____	
	2) _____	
	3) _____	

LOGO	XYZ LIMITED INITIAL PUBLIC ISSUE - R	Acknowledgement Slip for Broker/SCSB/DP/RTA	Bid cum Application Form No. _____
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DPID / CLID	PAN of Sole / First Bidder	
Amount paid (₹ in figures)	Bank & Branch	Stamp & Signature of SCSB Branch
ASBA Bank A/c No.		
Received from Mr./Ms.		
Telephone / Mobile	Email	

XYZ LIMITED - 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				
	Amount Paid (₹)				
ASBA Bank A/c No.				Acknowledgement Slip for Bidder	Bid cum Application Form No. _____
Bank & Branch					

Application Form-NR

<p>COMMON BID CUM APPLICATION FORM</p> <p>LOGO</p> <p>TO, THE BOARD OF DIRECTORS XYZ LIMITED</p>	<p align="center">XYZ LIMITED - INITIAL PUBLIC ISSUE - NR</p> <p>Address : _____ Contact Details: _____ CIN No _____</p> <p align="center">FIXED PRICE GME ISSUE</p> <p align="center">INE00000000000</p>	<p align="center">For Eligible NRI, FI, FVCI, applying on Restriction Basis</p> <p align="right">Bid cum Application Form No. _____</p>																											
<p>SYNDICATE MEMBER'S STAMP & CODE BROKER/SCSB/DP/RTA STAMP & CODE</p> <p>SUB-BROKER'S / SUB-AGENT'S STAMP & CODE EXCHNG BRANCH/SCSB BRANCH STAMP & CODE</p> <p>BANK BRANCH SERIAL NO. SCSB SERIAL NO.</p>																													
<p>1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER</p> <p>Mr. / Ms. _____</p> <p>Address _____</p> <p>Tel. No (with STD code) / Mobile _____ Email _____</p> <p>2. PAN OF SOLE / FIRST BIDDER _____</p>																													
<p>3. BIDDER'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL</p> <p>For NSDL, enter 8 digit DP ID followed by 8 digit Client ID / For CDSL, enter 16 digit Client ID</p>																													
<p>4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")</p> <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) (Must be in multiples of Bid Lot as advertised)</th> <th colspan="3">Price per Equity Share (₹) "Cut-off" (Price in multiples of ₹ 0.05) (In Figures)</th> <th rowspan="2">"Cut-off" Please tick <input type="checkbox"/></th> </tr> <tr> <th>Bid Price</th> <th>Retail Discount</th> <th>Net Price</th> </tr> </thead> <tbody> <tr> <td>Option 1</td> <td>_____</td> <td>_____</td> <td>_____</td> <td>_____</td> <td><input type="checkbox"/></td> </tr> <tr> <td>(OR) Option 2</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><input type="checkbox"/></td> </tr> </tbody> </table>			Bid Options	No. of Equity Shares Bid (In Figures) (Must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹) "Cut-off" (Price in multiples of ₹ 0.05) (In Figures)			"Cut-off" Please tick <input type="checkbox"/>	Bid Price	Retail Discount	Net Price	Option 1	_____	_____	_____	_____	<input type="checkbox"/>	(OR) Option 2	_____	_____	_____	_____	<input type="checkbox"/>	(OR) Option 3	_____	_____	_____	_____	<input type="checkbox"/>
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<p>6. Investor Status</p> <p><input type="checkbox"/> Non-Resident Indian (Repatriation Basis) NRI</p> <p><input type="checkbox"/> Foreign Institutional Investor FI</p> <p><input type="checkbox"/> Foreign Venture Capital Investor FVCI</p> <p><input type="checkbox"/> FI (Sub Account Corporate/Individual) FI SA</p> <p><input type="checkbox"/> Others (Please Specify) OTH</p>																													
<p>7. PAYMENT DETAILS PAYMENT OPTION : FULL PAY</p> <p>Amount paid (₹ in figures) _____ (₹ in words) _____</p> <p>ASBA Bank A/c No. _____</p> <p>Bank Name & Branch _____</p>																													
<p><small>WE/WEI/WEF/JOINT APPLICANTS, IF ANY, HEREBY CONFIRM THAT WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED AGREES TO PURCHASE AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES (GIDPI) AND HEREBY AGREE AND CONFIRM THE "BIDDERS UNDERTAKING" AS GIVEN OVERLEAF. WE/WEI/WEF/JOINT APPLICANTS, IF ANY, HEREBY CONFIRM THAT WE HAVE READ THE INSTRUCTIONS FOR FILING OF THE BID CUM APPLICATION FORM GIVEN OVERLEAF.</small></p>																													
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<p align="center">Acknowledgement Slip for Bidder</p> <p align="right">Bid cum Application Form No. _____</p>																													

4.1.1.Field Number 1: Name and Contact Details of the Sole/First Applicant

Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

- (a.) *Mandatory Fields:* Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/ mobile number fields are optional. Applicants should note that the contact details mentioned in the Application Form may be used to dispatch communications 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 members of the Syndicate, the Registered Broker and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.
- (b.) *Joint 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 favour 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.
- (c.) *Impersonation:* Attention of the Applicants is specifically drawn to the provisions of sub section(1) of Section 38 of the Companies Act, 2013 which is reproduced below:

Any person who:

- makes or abets making of an application in a fictitious name to a Company for acquiring, or subscribing for, its securities;
- or makes or abets making of multiple applications to a Company in different names or indifferent combinations of his name or surname for acquiring or subscribing for its securities; or
- otherwise induces directly or indirectly a Company to allot, or register any transfer of securities to him, or to any other person in a fictitious name,

Shall be liable for action under section 447 of the said Act.

- (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 DP.

4.1.2.Field Number 2: PAN 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 sending allocation advice and 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 Applicant’s sole risk.

4.1.4.Field Number 4: Application Details

- (a.) The Issuer may mention Price in the Prospectus. However a prospectus registered with RoC contains one price.
- (b.) Minimum And Maximum Application Size
 - (i.) *For Retail Individual Applicants:*
The Application must be for a minimum of 2,000 Equity Shares. As the Application Price payable by the Retail Individual Applicants cannot exceed ₹2,00,000, they can make Application for only minimum Application size i.e. for 2,000 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 ₹2,00,000 and in multiples of 2,000 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 Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB 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 ₹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 the Prospectus.
- (c.) Multiple Applications: An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or to any other Application Collecting Intermediary 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 sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

4.1.5. Field Number 5: Category of Applicants

- (a.) The categories of applicants identified as per the SEBI ICDR Regulations, 2009 for the purpose of Application, allocation and allotment in the Issue are RIIs, individual applicants other than RII's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).
- (b.) An Issuer can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, applicants may refer to the Prospectus.
- (c.) The SEBI ICDR Regulations, 2009 specify the allocation or allotment that may be made to various categories of applicants in an Issue depending upon compliance with the eligibility conditions. For details pertaining to allocation and Issue specific details in relation to allocation, applicant may refer to the Prospectus.

4.1.6. Field Number 6: Investor Status

- (a.) Each Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective allotment to it in the Issue is in compliance with the investment restrictions under applicable law.
- (b.) Certain categories of Applicants, such as NRIs, 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 7: Payment 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.

4.1.7.1. Payment instructions for Applicants

- (a) Applicants may submit the Application Form in physical mode to the Application Collecting Intermediaries.
- (b) Applicants should specify the Bank Account number in the Application Form.
- (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 for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.
- (e) From one Bank 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. In case Applicant applying through Application Collecting Intermediary other than SCSB, after verification and upload, the Application Collecting Intermediary shall send to SCSB for blocking of fund.
- (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 ASBA 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 subsequent transfer of the Application Amount against the Allotted Equity Shares, if any, 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 ASBA Account maintained with any other SCSB; else their Applications are liable to be rejected.

4.1.8.Unblocking of ASBA Account

- (a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted 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/ partial/ non allotment ASBA 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 ASBA 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 6 Working Days of the Issue Closing Date.

4.1.8.1. Discount (if applicable)

- (a) The Discount is stated in absolute rupee terms.
- (b) RIIs, Employees and Retail Individual Shareholders 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 Application Amount less Discount (if applicable).

4.1.8.2. Additional Payment Instructions for NRIs

The Non-Resident Indians who intend to block funds in their Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of applications by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account.

4.1.9. Field Number 8: Signatures and other Authorisations

- (a) Only the First Applicant is required to sign the Application Form. Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- (b) If the ASBA Account is held by a person or persons other than the Applicant, then the Signature of the ASBA Account holder(s) is also required.
- (c) In relation to the Applications, signature has to be correctly affixed in the authorisation/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 application amount mentioned in the Application Form.
- (d) Applicants must note that Application Form without signature of Applicant and /or ASBA Account holder is liable to be rejected.

4.1.10. Acknowledgement and Future Communication

Applicants should ensure that they receive the acknowledgment duly signed and stamped by Application Collecting Intermediaries, as applicable, for submission of the Application Form.

- (a) All communications in connection with Applications made in the Issue should be addressed as under:
 - (i.) In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, unblocking of funds, the Applicants should contact the Registrar to the Issue.
 - (ii.) In case of applications submitted to the Designated Branches of the SCSBs, the Applicants should contact the relevant Designated Branch of the SCSB.
 - (iii.) Applicant may contact the Company Secretary and Compliance Officer or LM(s) in case of any other complaints in relation to the Issue.
- (b) The following details (as applicable) should be quoted while making any queries -
 - (i.) Full name of the sole or First Applicant, Application Form number, Applicants DP ID, Client ID, PAN, number of Equity Shares applied for, amount blocked on application And ASBA Account Number and Name.
 - (ii.) In case of ASBA applications, ASBA Account number in which the amount equivalent to the application amount was blocked.

For further details, Applicant may refer to the Prospectus and the Application Form.

1.2 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/withdraw their applications till closure of the Issue period
- (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 SCSB through which such Applicant had placed the original Application.

A sample Revision form is reproduced below:

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:

Revision Form-R

COMMON BID CUM APPLICATION 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	Bid cum Application Form No. _____ FIXED PRICE SME ISSUE INE00000000000																																
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BANK BRANCH SERIAL NO.		2. PAN OF SOLE / FIRST BIDDER																																
SCSB SERIAL NO.																																		
3. BIDDER'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL <small>For NSDL, enter 8 digit DP ID followed by 8 digit Client ID / For CDSL, enter 16 digit Client ID</small>		4. INVESTOR CATEGORY <input type="checkbox"/> Individual(s) - IND <input type="checkbox"/> Fully Unlisted Family* - BUP <input type="checkbox"/> Bodies Corporate - CO <input type="checkbox"/> Banks & Financial Institutions - FI <input type="checkbox"/> Mutual Funds - MF <input type="checkbox"/> Non-Resident Indians - NRI (Non-Repatriation Basis) <input type="checkbox"/> National Investment Fund - NIF <input type="checkbox"/> Insurance Funds - IF <input type="checkbox"/> Insurance Companies - IC <input type="checkbox"/> Venture Capital Funds - VCF <input type="checkbox"/> Alternative Investment Funds - AIF <input type="checkbox"/> Others (Please specify) - OTH																																
5. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF") <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2">Bid Option</th> <th rowspan="2">No. of Equity Shares Bid (In Figures) <small>(Bids must be in multiples of Bid Lot as advertised)</small></th> <th colspan="4">Price per Equity Share (₹) "Cut-off" <small>(Prices in multiples of ₹ 0.05 only) (In Figures)</small></th> <th rowspan="2">Cut-off (Pence) (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 Option	No. of Equity Shares Bid (In Figures) <small>(Bids must be in multiples of Bid Lot as advertised)</small>	Price per Equity Share (₹) "Cut-off" <small>(Prices in multiples of ₹ 0.05 only) (In Figures)</small>				Cut-off (Pence) (tick)	Bid Price	Retail Discount	Net Price		Option 1						<input type="checkbox"/>	OR) Option 2						<input type="checkbox"/>	OR) Option 3						<input type="checkbox"/>	6. CATEGORY <input type="checkbox"/> Retail Investor Bidder <input type="checkbox"/> Non-Retention Bidder <input type="checkbox"/> QIB
Bid Option	No. of Equity Shares Bid (In Figures) <small>(Bids must be in multiples of Bid Lot as advertised)</small>			Price per Equity Share (₹) "Cut-off" <small>(Prices in multiples of ₹ 0.05 only) (In Figures)</small>					Cut-off (Pence) (tick)																									
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OR) Option 3						<input type="checkbox"/>																												
7. PAYMENT DETAILS Amount paid (₹ in figures) _____ (₹ in words) _____ ASBA Bank A/c No. _____ Bank Name & Branch _____		PAYMENT OPTION : FULL PAYMENT <input type="checkbox"/> PART PAYMENT <input type="checkbox"/>																																
WE (THE ISSUER) OF THIS APPLICATION, IF ANY, HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE STANDARD AMENDED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVITING IN PUBLIC BIDDING (GID) AND HEREBY AGREE AND CONFIRM THE BIDDER'S 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 _____ <small>(Date)</small>	8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) I/We authorize the SCSB to do all acts as are necessary to make the Application in the form: 1) _____ 2) _____ 3) _____	BROKER / SCSB / DP/RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)																																
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 _____																																
DPID / CLID _____	Amount paid (₹ in figures) _____ Bank & Branch _____ ASBA Bank A/c No. _____ Received from Mr./Ms. _____ Telephone / Mobile _____ Email _____	Stamp & Signature of SCSB Branch _____																																
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XYZ LIMITED - INITIAL PUBLIC ISSUE - R	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th></th> <th>Option 1</th> <th>Option 2</th> <th>Option 3</th> </tr> <tr> <td>No. of Equity Shares</td> <td> </td> <td> </td> <td> </td> </tr> <tr> <td>Bid Price</td> <td> </td> <td> </td> <td> </td> </tr> <tr> <td>Amount Paid (₹)</td> <td> </td> <td> </td> <td> </td> </tr> <tr> <td>ASBA Bank A/c No.</td> <td colspan="3"> </td> </tr> <tr> <td>Bank & Branch</td> <td colspan="3"> </td> </tr> </table>		Option 1	Option 2	Option 3	No. of Equity Shares				Bid Price				Amount Paid (₹)				ASBA Bank A/c No.				Bank & Branch				Stamp & Signature of Broker / SCSB / DP / RTA Name of Sole / First Bidder _____ Acknowledgement Slip for Bidder Bid cum Application Form No. _____								
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ASBA Bank A/c No.																																		
Bank & Branch																																		

1.2.1 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.

1.2.2 Field 4 & 5: Application 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 exceed ₹2,00,000/- due to revision and the application may be considered, subject to eligibility, for allocation under the Non-Institutional Category.

1.2.3 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.

1.2.4 Fields 7: Signatures and Acknowledgements

Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

1.3 Submission of Revision Form/Application Form

Applicants may submit completed application form / Revision Form in the following manner:

Mode of Application Form	Submission of Application Form
All Investors Application	To the Application Collecting Intermediaries as mentioned in the Prospectus/ Application Form

SECTION-5: ISSUE PROCEDURE IN FIXED PRICE ISSUE

2. 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 Application Collecting Intermediaries and apply only through ASBA facility.

ASBA Applicants may submit an Application Form either in physical/electronic form to the Application Collecting Intermediaries 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.

3. 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;
- Application by persons not competent to contract under the Indian Contract Act, 1872 (other than minor having valid depository accounts as per demographic details provided by the depository);
- 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 2,000;
- Category not ticked;
- Multiple Applications as defined in the 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 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/ first 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 ₹2,00,000 received after 3.00 p.m. on the Issue Closing Date, unless the extended time is permitted by NSE.
- Details of ASBA Account not provided in the Application form

For details of instructions in relation to the Application Form, Applicants may refer to the relevant section of the GID.

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 APPLICATION COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE APPLICATION FORM IS LIABLE TO BE REJECTED.

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

Allotment will be made in consultation with National Stock Exchange of India 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 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 2,000 equity shares the allotment will be made as follows:
 - (i.) Each successful Applicant shall be allotted 2,000 equity shares; and
 - (ii.) The successful Applicants out of the total applicants for that category shall be determined by the draw 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 2,000 equity shares, the Applicant would be allotted Shares by rounding off to the nearest multiple of 2,000 equity shares subject to a minimum allotment of 2,000 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 2,000 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, upto 110% of the size of the offer specified under the Capital Structure mentioned in this Prospectus.
- (f.) The above proportionate allotment of Shares in an Issue that is oversubscribed shall be subject to the reservation for Retail individual Applicants as described below:
 - (i.) As per Regulation 43 (4) of 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 retail 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 ₹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 NSE.

The Executive Director / Managing Director of NSE-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.

7.2. Designated Date and Allotment of Equity Shares

- (a.) Designated Date: On the Designated Date, the SCSBs shall transfer the funds represented by allocation of Equity Shares into the Public Issue Account with the Bankers to the Issue.
- (b.) Issuance of Allotment Advice: Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer

shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Applicants are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been Allotted Equity Shares in the Issue.

(c.) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.

(d.) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) initiate corporate action for credit of shares to the successful Applicants Depository Account will be completed within 4 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 one Working Day from the date of Allotment, after the funds are transferred from the Public Issue Account on the Designated Date.

SECTION 8: INTEREST AND REFUNDS

8.1 Completion of Formalities for Listing & Commencement of Trading

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 5 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 5 Working Days of the Issue Closing Date.

8.2 Grounds for Refund

8.2.1 Non Receipt of Listing Permission

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in Prospectus. The Designated Stock Exchange may be as disclosed in the Prospectus with which the Basis of Allotment may be finalised.

If the 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 repay, without interest, all moneys received from the Applicants in pursuance of the Prospectus.

If such money is not repaid within eight days pursuant to SEBI (ICDR) Regulations, 2009 after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of eight days be liable to repay the money, with interest at such rate, as prescribed under Section 40 of the Companies Act, 2013 and as disclosed in the Prospectus.

8.2.2 Minimum Subscription

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. As per Section 39 of the Companies Act, 2013, 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 devolvment of Underwriters within sixty days from the date of closure of the Issue, the Issuer shall forthwith refund the entire subscription amount received.

8.2.3 Minimum Number of Allottees

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be allotted may not be less than 50 failing which the entire application monies may be refunded forthwith.

8.3 Mode of Refund

Within 6 Working Days of the Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Application and also for any excess amount blocked on Application.

8.3.1 Mode of making refunds

The Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA applications or in the event of withdrawal or failure of the Issue.

8.4 Interest in Case of Delay in Allotment or Refund

The Issuer may pay interest at the rate of 15% per annum /or demat credits are not made to Applicants or instructions for unblocking of funds in the ASBA Account are not done within the 4Working days of the Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 6 days from the Issue Closing Date, if Allotment is not made.

SECTION 9: GLOSSARY AND ABBREVIATIONS

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or Regulation as amended from time to time.

Term(s)	Description
Allocation/Allocation of Equity Shares	The Allocation of Equity Shares of our Company pursuant to Fresh Issue of Equity Shares to the successful Applicants
Allotment/Allot/Allotted	Issue an allotment of Equity Shares of our Company pursuant to Fresh Issue of the Equity Shares to the successful Applicants
Allottee(s)	Successful Applicants to whom Equity Shares of our Company shall have been allotted
Applicant	Any prospective investor who makes an application for Equity Shares of our Company in terms of this Draft Prospectus
Application Amount	The amount at which the Applicant makes an application for Equity Shares of our Company in terms of this Draft Prospectus
Application Form	The Form in terms of which the prospective investors shall apply for our Equity Shares in the Issue
Application Supported by Blocked Amount/ASBA	The application (whether physical or electronic) by an Applicant to make an Application authorizing the relevant SCSB to block the Application Amount in the relevant ASBA Account Pursuant to SEBI Circular dated November 10, 2015 and bearing Reference No.CIR/CFD/POLICYCELL/11/2015 which shall be applicable for all public issues opening on or after January 01, 2016, all potential investors shall participate in the Issue only through ASBA process providing details about the bank account which will be blocked by the SCSBs
ASBA Account	Account maintained with an SCSB and specified in the Application Form which will be blocked by such SCSB to the extent of the appropriate Application Amount in relation to an Application by an Applicant
ASBA Application Location(s)/Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs viz, Mumbai, New Delhi, Chennai, Kolkata, Ahmedabad, Rajkot, Bangalore, Hyderabad, Pune, Baroda and Surat
ASBA Bid	A Bid made by an ASBA Bidder
ASBA Investor/ASBA Applicant	Any prospective investor(s)/applicants(s) in this Issue who apply (ies) through the ASBA process in terms of this Draft Prospectus.

Banker(s) to the Issue/Escrow Bank	to the Collection Bank	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account will be opened and in this case, being [] Limited
Basis of Allotment		The basis on which Equity Shares will be Allotted to the successful Applicants under the Issue and which is described under chapter titled “Issue Procedure” beginning on page no 177 of this Draft Prospectus
Bid		An indication to make an offer during the Bid/Issue Period by a Bidder pursuant to submission of the Bid cum Application Form, or during the Anchor Investor Bid/Issue Period by the Anchor Investors, to subscribe to or purchase the Equity Shares of our Company at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI Regulations
Bid Amount		Highest value of optional Bids indicated in the Bid cum Application Form and payable by the Bidder upon submission of the Bid
Bid Lot		2,000 Equity Shares
Broker Centre’s		Broker Centre’s notified by the Stock Exchanges, where the Applicants can submit the Application Forms to a Registered Broker. The details of such Broker Centre’s, along with the name and contact details of the Registered Brokers, are available on the website of the NSE on the following link www.nseindia.com
Broker to the Issue		All recognized members of the stock exchange would be eligible to act as the Broker to the Issue
CAN/Allotment advice		The note or advice or intimation of Allotment, sent to each successful Applicant who has been or is to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange i.e National Stock Exchange of India Limited (“NSE-EMERGE”)
Client ID		Client identification number of the Applicant’s beneficiary account
Collecting Depository Participant/ CDP		A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Controlling Branches of the SCSBs		Such branches of the SCSBs which co-ordinate applications under this Issue by the ASBA Applicants with the Lead Manager, Registrar to the Issue and the Stock Exchange and a list of which is available at http://www.sebi.gov.in , or at such other website as may be prescribed by SEBI from time to time
Demographic Details		The demographic details of the Applicants such as their address, PAN, occupation and bank account details
Depository		A Depository registered with SEBI under SEBI (Depositories and Participant) Regulations, 1996
Depository Participant/DP		A Depository Participant as defined under the Depositories Act.
Designated CDP Locations		Such locations of the CDPs where Applicants can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the website of the Stock Exchange i.e. www.nseindia.com
Designated SCSB Branches		Such branches of the SCSBs which shall collect the ASBA Forms from the ASBA Applicants 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
Designated Date		The date on which funds are transferred from the amount blocked by the SCSBs is transferred from the ASBA Account to the Public Issue Account, as appropriate, after the Issue is closed, following which the Equity Shares shall be allotted/transfer to the successful Applicants
Designated Intermediaries/Collecting Agent		An SCSB with whom the bank account to be blocked, is maintained, a syndicate member(or sub-syndicate member), a Registered Broker, Designated CDP Locations for CDP, a registrar to an issue and Share Transfer Agent (RTA) (whose names is mentioned on website of the Stock Exchange as eligible for this activity)

Designated Market Maker/Market Maker	In our case, [·] having its Registered office at [·]
Designated RTA Locations	Such locations of the RTAs where Applicants can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the website of the Stock Exchange.
Designated Stock Exchange	National Stock Exchange of India Limited (NSE- EMERGE).
Draft Prospectus	The Draft Prospectus dated June 11, 2018 issued in accordance with Section 26 of the Companies Act, 2013 and filed with the NSE under SEBI (ICDR) Regulations, 2009
Eligible NRIs	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom this Draft Prospectus constitutes an invitation to subscribe to the Equity Shares offered herein
Eligible QFIs	Qualified Foreign Investors 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 Draft Prospectus constitutes an invitation to purchase the Equity Shares offered thereby and who have opened dematerialized accounts with SEBI registered qualified depository participants as QFIs and are deemed as FPIs under the SEBI (Foreign Portfolio Investors) Regulations, 2014
Public Issue Account(s)	Account(s) opened with the Public Issue Bank/Banker for the Issue
Public Issue Account/ Agreement	Agreement entered into by our Company, the Registrar to the Issue, the Lead Manager, and the Public Issue Bank to the Issue for collection of the Application Amounts
First/Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form
General Information Document/GID	The General Information Document for investing in public issues prepared and issued in accordance with the circulars (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 notified by the SEBI and included in "Issue Procedure" on page 177 of this Draft Prospectus
Issue/Issue Size/ Initial Public Offer/Initial Offering/Initial Public Offering/ IPO	Public Issue of 23,06,000 Equity Shares of face value of ₹10 each fully paid of Tejaswi Packaging Limited for cash at a price of ₹59.00 per Equity Share (including a premium of ₹49.00 per Equity Share) aggregating ₹1360.54 Lakhs.
Memorandum of Understanding/ MoU	The agreement dated May 19, 2018 between our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue
Indian GAAP	Generally Accepted Principles in India
Independent Director	A non-executive & independent director as per the Companies Act, 2013 and Listing Regulations
ISIN Number	International Securities Identification Number in this case being INE00G901016
Issue Opening Date	The date on which Issue opens for subscription
Issue Closing Date	The date on which Issue closes for subscription
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both the days during which prospective Investors may submit their application
Issue Price	The price at which the Equity Shares are being issued by our Company under this Draft Prospectus being ₹59.00 per Equity Share of face value of ₹10 each fully paid up
Issue Proceeds	Proceeds from the fresh Issue that will be available to our Company, being ₹1360.54 Lakhs
Listing Agreement	The Equity Listing Agreement to be signed between our Company and National Stock Exchange of India Limited
Lead Manager	Lead Manager to the Issue, in this case being Mark Corporate Advisors Private Limited, a SEBI Registered Merchant Banker
Market Making Agreement	Market Making Agreement dated [·] between Our Company, LM and Market Maker

Market Maker	Market Maker appointed by our Company, in this case being [Name of the Market Maker] & SEBI Registration Number[] who has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for any other period as may be notified by SEBI from time to time
Market Maker Reservation Portion	The Reserved Portion of 1,58,000 Equity Shares of face value of ₹ 10 each fully paid for cash at a price of ₹59.00 per Equity Share aggregating ₹ 93.22 Lakhs for the Market Maker in this Issue
Mutual Fund(s)	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
Net Issue	The Issue excluding the Market Maker Reservation Portion of 21,48,000 Equity Shares of face value of ₹10 each fully paid for cash at a price of ₹59.00 Equity Share aggregating ₹ 1267.32 Lakhs by our Company
Net Proceeds	The Issue Proceeds, less the Issue related expenses, received by the Company. For further information about use of the Issue Proceeds and the Issue expenses, please refer to the chapter titled “Objects of the Issue” beginning on page no 56 of this Draft Prospectus
Non-Institutional Investors	All Applicants that are not Qualified Institutional Buyers or Retail Individual Investors and who have Applied for Equity Shares for an amount more than ₹ 2,00,000
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue
Payment through electronic transfer of funds	Payment through NECS, NEFT or Direct Credit, as applicable.
Person/Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires
Prospectus	The Prospectus to be filed with RoC containing, inter-alia, the issue opening and closing dates and other information
Public Issue Account	Account opened with the Banker to the Issue/Public Issue Bank i.e. ICICI Bank Limited by our Company to receive monies from SCSBs from the bank accounts of the ASBA Applicants on the Designated Date
Qualified Institutional Buyers or QIBs	QIBs, as defined under the SEBI ICDR Regulations, including public financial institutions as specified in Section 2(72) of the Companies Act, 2013 scheduled commercial banks, mutual fund registered with SEBI, FII and sub-account (other than a sub-account which is a foreign corporate or foreign individual) registered with SEBI, multilateral and bilateral development financial institution, venture capital fund registered with SEBI, foreign venture capital investor registered with SEBI, state industrial development corporation, insurance company registered with Insurance Regulatory and Development Authority, provident fund with minimum corpus of ₹2,500 Lakhs, pension fund with minimum corpus of ₹2,500 Lakhs, NIF, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India
Refund Account (s)	Account(s) to which monies to be refunded to the Applicants shall be transferred from the Public Issue Account in case listing of the Equity Shares does not occur
Registered Brokers	Stock Brokers registered with the Stock Exchanges having nationwide terminals
Registrar/Registrar to the Issue	Big Share Services Private Limited having Registered Office at 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makhwana Road, Marol, Andheri (E), Mumbai-400 059

Retail Individual Investor	Individual Applicants, or minors applying through their natural guardians, including HUFs (applying through their Karta) and ASBA Applicants, who apply for an amount less than or equal to ₹2,00,000
Revision Form	The form used by the Applicants to modify the quantity of Equity Shares in any of their Application Forms or any previous Revision Form(s)
Self-Certified Syndicate Banker/ SCSB	Shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the service of making Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time
Exchange/ NSE Emerge	The SME Platform of NSE for listing of equity shares offered under Chapter XB of the SEBI (ICDR) Regulations
Underwriters	Mark Corporate Advisors Private Limited
Underwriting Agreement	The agreement dated [] entered into between the Underwriters and our Company
Working Day	“Working Day” means all days, other than second and fourth Saturday of the month, Sunday or a public holiday, on which commercial banks in Mumbai are open for business; provided however, with reference to Issue Period, “Working Day” shall mean all days, excluding all Saturdays, Sundays or a public holiday, on which commercial banks in Mumbai are open for business; and with reference to the time period between the Issue Closing Date and the listing of the Equity Shares on the SME Exchange of National Stock Exchange of India Limited, “Working Day” shall mean all trading days of National Stock Exchange of India Limited, excluding Sundays and bank holidays, as per the SEBI Circular 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 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. Foreign investment is allowed up to 26% under automatic route in our Company. India's current Foreign Direct Investment ("FDI") Policy issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GoI ("DIPP") by circular of 2016 with effect from June 07, 2016 ("Circular of 2016"), consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP. The Government usually updates the consolidated circular on FDI Policy once every Year and therefore, this circular of 2016 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, subject to fulfillment of certain conditions as specified by DIPP / RBI, from time to time. Such conditions include (i) the activities of the investee company are under the automatic route under the foreign direct investment ("FDI") Policy and then on-resident shareholding is within the sectorial limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI / RBI. Investors are advised to refer to the exact text of the relevant statutory provisions of law before investing and / or subsequent purchase or sale transaction in the Equity Shares of Our Company.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (U.S. Securities Act") or any state securities laws in the United States and may not be offered within the United States or to or for the account or benefit of "U.S. Persons" (as defined in Regulations), except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities laws. Accordingly, the Equity Shares are being offered only outside the United States in offshore transaction in reliance on Regulations under the U.S. securities Act and the applicable laws of the jurisdiction where those offers occur. However, 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 and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. 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 Applications are not in violation of laws or regulations applicable to them.

THE COMPANIES ACT, 2013 AND
THE COMPANIES ACT, 1956 (AS APPLICABLE)
(COMPANY LIMITED BY SHARES)
***ARTICLES OF ASSOCIATION**
OF
TEJASWI PACKAGING LIMITED
(“THE COMPANY”)
(Incorporated under Companies Act, 1956)

(*A new set of Articles of Association adopted vide Members’ approval by passing Special Resolution at its Extra-Ordinary General Meeting held on 17th day of January, 2018)

The Regulations contained in Table F in the first Schedule of the Companies Act, 2013 (herein after called the said Act) so far as they are applicable to a Company, shall apply to this Company, save in so far as they are expressly or by implication, excluded by the following articles.

I. DEFINITIONS AND INTERPRETATIONS:

A. DEFINITIONS

In the interpretation of these Articles the following words and expressions shall have the following meanings unless repugnant to the subject or context.

- a) **‘Act’** means the Companies Act, 2013 along with the relevant Rules made there under or any other act applicable for the time being in force, and as amended from time to time including any statutory modifications or re-enactment thereof.
- b) **‘Annual General Meeting’** shall mean a General Meeting of the members in accordance with the applicable provisions of the Act.
- c) **‘Articles’** means these Articles of Association as adopted or as from time to time altered in accordance with the provisions of these Articles and the Act.
- d) **‘Board’** means the Board of Directors of the Company for the time being.
- e) **‘Capital’** or **‘Share Capital’** shall mean the authorized share capital of the Company.
- f) **‘Committees’** shall have the same meaning as prescribed to such term in these Articles.
- g) **‘Companies Act, 1956’** shall mean the Companies Act, 1956 (Act 1 of 1956), to the extent that such provisions have not been repealed or superseded by the Companies Act, 2013 or de-notified.
- h) **‘Company’** or **‘this Company’** means **TEJASWI PACKAGING LIMITED**.
- i) **‘Depositories Act’** shall mean The Depositories Act, 1996 and shall include any statutory modification or re-enactment thereof.
- j) **‘Directors’** means the Directors for the time being of the Company.

- k) **‘Extra-ordinary General Meeting’** shall mean an extra-ordinary general meeting of the holders of Equity Shares duly called and constituted in accordance with the provisions of the Act.
- l) **‘Memorandum’** shall mean the Memorandum of Association of the Company, as amended from time to time.
- m) **‘Office’** shall mean the registered office for the time being of the Company.
- n) **‘Paid-up’** shall include the amount credited as paid up.
- o) **‘Person’** shall mean any natural person, sole proprietorship, partnership, company, body corporate, governmental authority, joint venture, trust, association or other entity (whether registered or not and whether or not having separate legal personality).
- p) **‘Registrar’** shall mean the Registrar of Companies, from time to time having jurisdiction over the Company.
- q) **‘Seal’** means the common seal of the Company.
- r) **‘SEBI’** shall mean the Securities and Exchange Board of India, constituted under the Securities and Exchange Board of India Act, 1992.
- s) **‘SEBI Listing Regulations’** shall mean the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.
- t) **‘Securities’** shall mean any Share (including Equity Shares), scrips, stocks, bonds, debentures, warrants or options whether or not, directly or indirectly convertible into, or exercisable or exchangeable into or for Equity Shares, and any other marketable securities.
- u) **‘Stock Exchanges’** shall mean the Small and Medium Enterprises platform of National Stock Exchange of India Limited and any other stock exchange in India or abroad where the Securities of the Company may be / are listed.

B. INTERPRETATION:

In these Articles (unless the context requires otherwise):

- a) References to a person shall, where the context permits, include such person’s respective successors, legal heirs and permitted assigns.
- b) The descriptive headings of Articles are inserted solely for convenience of reference and are not intended as complete or accurate descriptions of content thereof and shall not be used to interpret the provisions of these Articles and shall not affect the construction of these Articles.
- c) Words importing the singular include the plural and vice versa, pronouns importing a gender include each of the masculine, feminine and neuter genders, and where a word or phrase is defined, other parts of speech and grammatical forms of that word or phrase shall have the corresponding meanings.
- d) Wherever the words “include,” “includes,” or “including” is used in these Articles, such words shall be deemed to be followed by the words “without limitation”.
- e) The terms “hereof”, “herein”, “hereto”, “hereunder” or similar expressions used in these Articles mean and refer to these Articles and not to any particular Article of these Articles, unless expressly stated otherwise.
- f) In the event any of the provisions of the Articles are contrary to the provisions of the Act and the Rules, the provisions of the Act and Rules will prevail.

II. Share capital and variation of rights

1. The Authorized Share Capital of the Company shall be as stated under Clause V of the Memorandum of Association of the Company with such rights, privileges and conditions respectively attached thereto as may be from time to time and the Company may subdivide, consolidate and increase the Share Capital from time to time and upon the sub-division of Shares, apportion the right to participate in profits in any manner as between the Shares resulting from the sub-division.
 - i. The authorized share capital of the Company may be altered or amended from time to time.
 - ii. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.
 - iii. The Directors of the Company may from time to time determine the amount payable on application and allotment at the time of issue of shares and may also make calls upon the members in respect of any money unpaid on their shares of such amount and payable at such times and place as they may from time to time decide.
2. The Share Capital of the Company may be classified into Shares with differential rights as to dividend, voting or otherwise in accordance with the applicable provisions of the Act, Rules, and Law, from time to time.
3. The Board may, subject to the relevant provisions of the Act and these Articles, allot and issue Shares as payment or part payment for any property purchased by the Company or in respect of goods sold or transferred or machinery or appliances supplied or for services rendered to the Company in or about the formation of the Company or in respect of an acquisition and/or in the conduct of its business or for any goodwill provided to the Company; and any Shares which may be so allotted may be issued as fully/partly Paid-up Shares and if so issued shall be deemed as fully/partly Paid-up Shares.
4. The Company shall issue, re-issue, Sub-Divide/Consolidate and issue duplicate share certificates in accordance with the provisions of the Act and in the form and manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014.
5. The Company shall be entitled to dematerialise its existing Shares, rematerialise its Shares held in the depository and/or to offer its fresh shares in a dematerialised form pursuant to the Depositories Act, and the regulations framed there under, if any.
6. If any Shares stands in the names of Two (2) or more Persons, the Person first named in the Register of Members shall as regards receipt of Dividends or bonus, or service of notices and all or any other matters connected with the Company except voting at meetings and the transfer of shares, be deemed the sole holder thereof, but the joint holders of such Shares shall be severally as well as jointly liable for the payment of all deposits, instalments and calls due in respect of such Shares, and for all incidents thereof according to the Act and these Articles.
7. Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,
 - a. one certificate for all his shares without payment of any charges;
or
 - b. several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.
 - i. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.

- ii. In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
8.
 - i. If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of such fees being not less than Twenty Rupees and not exceeding Fifty Rupees as the Directors may decide from time to time.
 - ii. The provisions of this Article shall mutatis mutandis apply to Debentures and other Securities of the company.
9. The Company shall be entitled to register any shares in the name of any minor person, represented by lawful guardians, if fully paid, and allow the dividend thereof to be collected or shares transferred by the guardian of such minor shareholder as the Company deems fit, subject to the provisions of law relating to contracts.
10.
 - i. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.
 - ii. To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be as stated in Companies Act, 2013 and amended from time to time.
11. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.
12. Except as ordered by a court of competent jurisdiction or as may be required by Law, the Company shall be entitled to treat the Shareholder whose name appears on the Register of Members as the holder of such Equity Shares or whose name appears as the beneficial owner of such Equity Shares in the records of the Depository, as the absolute owner thereof and accordingly shall not be bound to recognise any benami, trust or equity or equitable, contingent or other claim to or interest in such Equity Shares on the part of any other Person whether or not such Shareholder shall have express or implied notice thereof. The Board shall be entitled at their sole discretion to register any Equity Shares in the joint names of any Two (2) or more Persons or the survivor or survivors of them. The Company shall not be bound to register more than Three (3) persons as the joint holders of any share except in the case of executors or trustees of a deceased member.

III. Preference Shares

1. Redeemable Preference Shares

The Company, subject to the applicable provisions of the Act, shall have the power to issue on a cumulative or non-cumulative basis, preference shares liable to be redeemed in any manner permissible under the Act and the Directors may, subject to the applicable provisions of the Act, exercise such power in any manner as they deem fit and provide for redemption of such shares on such term including the right to redeem at a premium or otherwise as they deem fit.

2. Convertible Redeemable Preference Shares

The Company, subject to the applicable provisions of the Act and the consent of the Board, shall have power to issue on a cumulative or non-cumulative basis convertible preference shares liable to be converted in any manner permissible under the Act and the Directors may, subject to the applicable provisions of the Act, exercise such power as they deem fit and provide for conversion at a premium or otherwise and/or conversion of such shares into such Securities on such terms as they may deem fit.

3. Upon the issue of preference shares, the following provisions shall apply:
 - a) No such preference shares shall be redeemed except out of 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 the redemption;
 - b) No such shares shall be redeemed unless they are fully paid;
 - c) The premium, if any, payable on redemption shall have been provided for out of the profits of the Company or out of the Company's securities premium account, before the shares are redeemed;
 - d) Where any 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 applicable provisions of the Act relating to the reduction of the Share Capital of the Company shall, except as provided by Section 55 of the Act, apply as if the Capital Redemption Reserve Account were Paid up Share Capital of the Company;
 - e) The redemption of preference shares under this Article by the Company shall not be taken as reduction of Share Capital;
 - f) The Capital Redemption Reserve Account may, notwithstanding anything in this Article, be applied by the Company, in paying up un-issued shares of the Company to be issued to the Shareholders as fully paid bonus shares; and
 - g) Whenever the Company redeem any redeemable preference shares, the Company shall, within Thirty (30) days thereafter, give notice thereof to the Registrar as required by Section 64 of the Act.

IV. Further Issue of Share Capital

Where at any time, the Company proposes to increase its subscribed capital by the issue of further shares; such shares shall be issues subject to provisions of the Act and these Articles.

V. Nomination by Security holders

1. Every holder of Securities of the Company may, at any time, nominate, in the manner prescribed under the Act, a person as their nominee in whom all the rights and liabilities in the Securities shall vest in the event of his/her death.
2. Where the securities of the Company are held by more than one person jointly, the joint shareholders may together nominate in the manner prescribed under the Act, a person as their nominee in whom all the rights and liabilities in the Securities shall vest in the of event death of all the joint holders.

VI. Lien

1.
 - i. The company shall have a first and paramount lien –
 - a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and

- b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

- ii. The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

- 2. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:

Provided that no sale shall be made –

- a) unless a sum in respect of which the lien exists is presently payable; or
- b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

- 3.

- i. To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.
- ii. The purchaser shall be registered as the holder of the shares comprised in any such transfer.
- iii. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

- 4.

- i. The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
- ii. The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

- 5. Subject to the Act and these Articles, the right of lien under this Article shall extend to other Securities.

VII. Calls on shares

- 6.

- i. The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

- ii. Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.
 - iii. A call may be revoked or postponed at the discretion of the Board.
- 7. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by instalments.
 - 8. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

9.
 - i. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine.
 - ii. The Board shall be at liberty to waive payment of any such interest wholly or in part.
10.
 - i. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
 - ii. In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
11. The Board –
 - a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
 - b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance. However, the monies paid up in advance of calls on any share may carry interest but shall not in respect thereof confer a right to dividend or to participate in profits;
12. Provided that the Board shall not give the option or right to call on shares to any person except with the sanction of the Company in general meeting.

VIII. Share Warrants

Company may issue share warrants subject to and in accordance with the provisions of the Companies Act, 2013; and accordingly, the Board may in its discretion, with respect to any share which is fully paid up, on application in writing signed by the person registered as holder of the share and authenticated by such evidence [if any], as the Board may, from time to time, require as to the identity of the person signing the application and on receiving the certificate [if any] of the share, and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require, issue a share warrant.

IX. Transfer of shares

13. The Company shall record in the Register of Members fairly and distinctly particulars of every transfer or transmission of any share, Debenture or other Security held in a material form.
14.
 - i. A common form of transfer as prescribed under the Act, shall be used for the registration of a transfer of the shares in the Company may be made either by the transferor or the transferee within the time frame prescribed under the Act.
 - ii. Before the Registration of the transfer, the certificate or the certificates of the share or shares to be transferred must be delivered to the Company along with the properly stamped and executed instrument of transfer in accordance with the provisions of Section 56 of the Act.

- iii. 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 in a prescribed manner and the transferee communicates no objection to the transfer within Two (2) weeks from the receipt of the notice.
 - iv. The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.
 - v. The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
15. In case of transfer of shares where the Company has not issued any certificates and where the shares are held in dematerialized form, the provisions of the Depositories Act shall apply.
16. The Board may, subject to the right of appeal conferred by section 58 decline to register –
- a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
 - b) any transfer of shares on which the company has a lien.
- 17.
- i. The Board may decline to recognize any instrument of transfer unless–
 - a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;
 - b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
 - c) the instrument of transfer is in respect of only one class of shares.
18. Provided that, registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other Person or Persons indebted to the Company on any account whatsoever except where the Company has a lien on shares.
19. The Board shall have power on giving not less than Seven (7) days previous notice or such lesser period as may be specified by SEBI, by advertisement in a vernacular newspaper and in an English newspaper having wide circulation in the city, town or village in which the registered office of the Company is situated and by publishing a notice on the website of the Company, to close the transfer books, the Register of Members and/or Register of Debenture-holders at such time or times and for such period or periods, not exceeding Thirty (30) days at a time and not exceeding in the aggregate Forty Five (45) days in each year, as it may deem expedient.
20. No fee shall be payable to the Company in respect of the registration of transfer of shares or for registration of any power of attorney, probate or other similar documents.

X. Transmission of shares

- 21.
- i. On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares.
 - ii. Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
- 22.

- i. Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either –
 - a) to be registered himself as holder of the share; or
 - b) to make such transfer of the share as the deceased or insolvent member could have made.
 - ii. The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.
- 23.
- i. If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.
 - ii. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
 - iii. All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
24. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:
- Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within Ninety (90) days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.
25. No fee shall be payable to the Company in respect of the registration of transmission of shares or for registration of any power of attorney, probate or other similar documents.

XI. Forfeiture of shares

26. If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.
27. The notice aforesaid shall –
- a. name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
 - b. State that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.
28. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all Dividends declared or any other money payable in respect of the forfeited share(s) and not actually paid before the forfeiture subject to applicable provisions of the Act.

- 29.
- i. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
 - ii. At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
- 30.
- i. When any share shall have been so forfeited, notice of the forfeiture shall be given to the Shareholder on whose name it stood immediately prior to the forfeiture or if any of his legal representatives or to any of the Persons entitled to the shares by transmission, and an entry of the forfeiture with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.
 - ii. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.
 - iii. The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.
 - iv. Any share so forfeited shall be deemed to be the property of the Company and may be sold; re-allotted, or otherwise disposed of either to the original holder thereof or to any other Person upon such terms and in such manner as the Board shall think fit.
- 31.
- i. A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;
 - ii. The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;
 - iii. The transferee shall thereupon be registered as the holder of the share; and
 - iv. The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
32. The provisions of these regulations as to forfeiture shall apply in the case of non payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.
33. 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 upon such conditions as it thinks fit.
34. The Directors may subject to the provisions of the Act, accept a surrender of any share certificates from or by any Shareholder desirous of surrendering them on such terms as the Directors think fit.

XII. Alteration of capital

35. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

The Company shall have power to issue all kinds of preference shares, including cumulative convertible preference shares with or without premium if any, liable to be redeemed in any manner permissible under the Act, and Directors may, subject to the provisions of the Act, exercise such power in any manner they think fit and provide for the redemption of such shares on such terms including the right to redeem at a premium or otherwise as they think fit.

36. Subject to the provisions of Section 61, the company may, by ordinary resolution,

- a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
- c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
- d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

37. Where shares are converted into stock, -

- a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

- b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
- c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively.

38. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law, -

- e) its share capital;
- f) any capital redemption reserve account;
- g) any share premium account.

XIII. Capitalisation of profits

39.

i. The company in general meeting may, upon the recommendation of the

- a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the, profit and loss account, or otherwise available for distribution; and
- b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

ii. The sum aforesaid shall not be paid in cash but shall be applied, either in or towards –

- a) paying up any amounts for the time being unpaid on any shares held by such members respectively;
- b) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
- c) partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b);
- d) A securities premium account, general reserve account and a capital redemption reserve account may, for the purposes of this regulation, be applied, for issuing to members of the company as fully paid bonus securities;
- e) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

40.

- i. Whenever such a resolution as aforesaid shall have been passed, the Board shall –
 - a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
 - b) generally do all acts and things required to give effect thereto.
- ii. The Board shall have power –
 - a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
 - b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;
- iii. Any agreement made under such authority shall be effective and binding on such members.

XIV. Buy-back of shares

- 41. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

XV. Underwriting and Brokerage

- 42. Subject to the applicable provisions of the Act, the Company may at any time pay a commission to any person in connection with the subscription or procurement of subscription to its securities, whether absolute or conditional, for any shares or Debentures in the Company in accordance with the provisions of the Companies (Prospectus and Allotment of Securities) Rules, 2014.
- 43. The Company may also, on any issue of shares or Debentures, pay such reasonable brokerage as may be lawful.

XVI. Borrowing Powers

- 44. The Directors may, subject to the provisions of the Act and these Articles, from time to time at their discretion raise or borrow, or secure the repayment of any loan or advance taken or any guarantee given by the Company. Any such monies may be raised and the payment or repayment of such moneys may be secured in such manner and upon such terms and conditions in all respects as the Directors may think fit and, in particular by promissory

notes, or by opening current accounts or by receiving deposits and advances at interest, with or without security, or by the issue of debentures of debenture-stock of the Company charged upon all or any part of the property of the Company (both present and future), including its uncalled capital for the time being, or by mortgaging, charging or pledging any lands, buildings, machinery, plants, goods or other property and securities of the Company, or by such other means as to them may seem expedient.

45. The Board of Directors shall not, except with the consent of the Company by special resolution in the General Meeting, borrow monies where the monies to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate of the paid-up capital of the Company and its free reserves.

XVII. General meetings

46. All general meetings other than annual general meeting shall be called extraordinary general meeting.
47. The Board may, whenever it thinks fit, call an extra-ordinary general meeting or it shall do so upon a requisition received from such number of shareholders who hold, on the date of 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 and such meeting shall be held at the Office or at such place and at such time as the Board thinks fit.
48. Any valid requisition so made by Shareholders must state the object or objects of the meeting proposed to be called, and must be signed by the requisitionists and be deposited at the registered office, provided that such requisition may consist of several documents in like form each signed by one or more requisitionists.
49. Upon the receipt of any such valid requisition, the Board shall forthwith call an Extraordinary General Meeting and if they do not proceed within 21 (twenty -one) days from the date of the requisition being deposited at the Office to cause a meeting to be called on a day not later than 45 (forty-five) days from the date of deposit of the requisition, the requisitionists or such of their number as represent either a majority in value of the Paid up Share Capital held by all of them or not less than one-tenth of such of the Paid-up Share Capital of the Company as is referred to in Section 100 of the Act, whichever is less, may themselves call the meeting, but in either case any meeting so called shall be held within three months from the date of the delivery of the requisition as aforesaid.
50. No General Meeting, Annual or Extraordinary, shall be competent to enter into, discuss or transact any business which has not been mentioned in the notice or notices by which it was convened.
51. The Extraordinary General Meeting called under this Article shall be subject to and in accordance with the provisions under the Act read with the Companies (Management and Administration) Rules, 2014.

XVIII. Proceedings at general meetings

- 52.
- i. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.
 - ii. Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.
 - iii. Notice will be deemed to have been sent if they are correctly addressed and posted to the registered addresses or through electronic mode of the members who are entitled to receive such notice.
53. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
54. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.

55. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

XIX. Adjournment of meeting

- 56.
- i. The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
 - ii. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
 - iii. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

XX. Voting rights

57. Subject to any rights or restrictions for the time being attached to any class or classes of shares, --
- a) on a show of hands, every member present in person shall have one vote;
and
 - b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company
58. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
- 59.
- i. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
 - ii. For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
60. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
61. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
62. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.
- 63.
- i. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
 - ii. Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

XXI. Demand for Poll

64. At any General Meeting, a resolution put to the vote of the General Meeting shall, unless a poll is demanded in accordance with the Act, be decided in the manner set out in the Act. Before or on the declaration of the result of the voting on any resolution by a show of hands, a poll may be carried out in accordance with the applicable provisions of the Act or the voting is carried out electronically. Unless a poll is demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried or carried unanimously, or by a particular majority, or lost and an entry to that effect in the Minute Book of the Company shall be conclusive evidence of the fact, of passing of such resolution or otherwise.
65. In the case of equal votes, the Chairman shall both on a show of hands and at a poll, (if any), have a casting vote in addition to the vote or votes to which he may be entitled as a Shareholder.
66. If a poll is demanded as aforesaid, the same shall subject to anything stated in these Articles be taken at such time, (not later than forty-eight hours from the time when the demand was made), and place within the city, town or village in which the registered office of the Company is situated and either by a show of hands or by ballot or by postal ballot, as the Chairman shall direct and either at once or after an interval or adjournment, or otherwise and the result of the poll shall be deemed to be the decision of the meeting at which the poll was demanded. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll. The demand for a poll may be withdrawn at any time by the Person or Persons who made the demand.
67. Where a poll is to be taken, the Chairman of the meeting shall appoint such number of scrutinizers as prescribed under the Act and Rules to scrutinise the votes given on the poll and to report thereon to him. The Chairman shall have power at any time before the result of the poll is declared, to remove a scrutinizers from office and fill vacancies in the office of scrutinizers arising from such removal or from any other cause.
68. Any poll duly demanded on the election of a Chairman of a meeting or any question of adjournment, shall be taken at the meeting forthwith.
69. The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.
70. The Shareholders will do nothing to prevent the taking of any action by the Company or act contrary to or with the intent to evade or defeat the terms as contained in these Articles.

XXII. Passing Resolutions by Postal Ballot

71. Notwithstanding any of the provisions of these Articles, the Company may, and in the case of resolutions relating to such business as notified under the Companies (Management and Administration) Rules, 2014, as amended, or other Law required to be passed by postal ballot, shall get any resolution passed by means of a postal ballot, instead of transacting the business in the General Meeting of the Company. Also, the Company 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 the same by way of postal ballot.
72. Where the Company decides to pass any resolution by resorting to postal ballot, it shall follow the procedures as prescribed under Section 110 of the Act and the Companies (Management and Administration) Rules, 2014, as amended from time.

XXIII. Proxy

73. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
74. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
75. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

XXIV. Board of Directors

76. The following are the First Directors of the Company:
 1. A. Harihara Prasad
 2. A. Aruna
 3. Kovvur Sudarshan Reddy
 4. Kovvur Sudhir Reddy
77. Subject to the applicable provisions of the Act, the number of Directors of the Company shall not be less than Three (3) and not more than Fifteen (15). However, the Company may at any time appoint more than Fifteen (15) Directors after passing Special Resolution at a General Meeting. The Company shall also comply with the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014 and the provisions of the SEBI Listing Regulations.
78. A Director shall not be required to hold any qualification shares of the Company.
79.
 - i. Every Director shall be entitled to receive from the Company remuneration of such amount as determined by the Board of Directors subject to the provisions of the Companies Act, 2013 or any other Act which is relevant to this for the time being in force.

- ii. Every Director of the Company shall be entitled to receive from the Company, a sitting fee of such a sum not exceeding as may be allowed under the Companies Act, 2013 or any other Act which is relevant to this for the time being in force, for every meeting of the Board of Directors, or for a committee of Directors attended by him, in addition to all travelling and out of pocket expenses incurred by him attending and returning from such meetings.
80. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.
81. All cheques, promissory notes, drafts, hundies, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.
82. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.
- 83.
- i. The Board may appoint one or more directors as Managing Director(s) of the Company and fill in subsequent casual vacancy occurring in these posts. The Managing Director so appointed shall, subject to the applicable provisions of the Act and subject to the superintendence and control of Board of Directors shall have power that may be delegated by the Board from time to time. Such appointment as Managing Director may be made on such remuneration and for such period and upon such terms and conditions as the Board of Directors may deem fit on recommendations of committees and approval of members.
 - ii. Any Director of a company may, at any time, summon a Meeting of the Board, and the Company Secretary or where there is no Company Secretary, any person authorised by the Board in this behalf, on the requisition of a Director, shall convene a Meeting of the Board, in consultation with the Chairman or in his absence, the Managing Director or in his absence, the Whole-time Director, where there is any.
 - iii. Subject to the provisions of Section 175 the Companies Act, 2013 or any other Act for the time being in force, a resolution in writing approved and signed by the majority of Directors the Company shall be valid and effectual as if passed at a meeting of the Directors of the Company duly called and convened.
 - iv. Any financial institution which gives or agrees to give any loan of other form of financial assistance to the Company may, if the agreement in respect of such loan or such financial assistance to the Company may, if the agreement in respect of such loan or such financial assistance so stipulates, nominate representative on the Board of Director. Such Director(s) shall cease to be the Director(s) upon repayment of such loan or expire of the term stipulated in the agreement for termination of such rights of nomination. Such nominating body may, from time to time remove its nominee(s) and appoint another nominee or nominees in their place and while holding such office such nominees shall not be liable to retirement by rotation. Such nominees also need not hold qualification shares.
 - v. The Company shall, subject to the provisions of the Act, be entitled to agree with any person, firm, corporation or other body that he or it shall have the right to nominate its representative/s on the Board of Directors of the Company upon such terms and conditions as the Company may deem fit. Such representative/s and their successors in office appointed under these articles shall be called Special Directors. The Special Directors appointed under this clause shall be entitled to hold office until requests to retire by the person, firm, corporation or the body who may have nominated them and will not be bound to retire by rotation. A Special Director shall not be required to hold any qualification shares.
 - vi. As and whenever a special director vacates office, whether upon request aforesaid or by death resignation or otherwise, the person, firm, corporation or body who nominated such Special Director may nominate any other Director in his place. The Special Director may at time by notice in writing to the Company resign his office. Subject as aforesaid the Special Director shall be entitled to the same rights and privileges and be subject to the same obligations as any other Directors of the Company.

- vii. The Board shall have power at any time, and from time, to appoint a person as an Additional Director provided the number of the Directors and additional Directors together shall not at any time exceed the maximum strength fixed for the Board by these articles. Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a Director at that meeting subject to the provisions of the Act.
 - viii. The Board of Directors shall also have power to fill a casual vacancy in the Board. Any Director so appointed shall hold office only so long as the vacating Director would have held the same if no vacancy had occurred.
 - ix. The Board may appoint any person to act as alternate Director for a Director during the latter's absence for a period of not less than three months from the State in which meetings of the Board are ordinarily held and such appointment shall have effect and such appointee, whilst he holds office as an alternate Director, shall be entitled to the notices of meetings of the Board of Directors and to attend and vote thereat accordingly, but he shall 'Ipso facto' vacate office if and when the absent Director returns to the State in which meetings of the Board of Directors are ordinarily held or the absent Director vacates office as a Director.
84. The Company may, and subject to the provisions of Section 169 of the Act, remove any Director before the expiration of his period of office and appoint another Director of office and appoint another Director.

XXV. Disqualification and vacation of office by Directors

85. A person shall not be eligible for appointment as a Director of the Company if he incurs any of the disqualifications as set out in section 164 and other relevant provisions of the Act. Further, on and after being appointed as a Director, the office of a Director shall ipso facto be vacated on the occurrence of any of the circumstances under section 167 and other relevant provisions of the Act.
86. Subject to the applicable provisions of the Act, 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.

XXVI. Independent Directors

The Company shall have such number of Independent Directors on the Board of the Company, as may be required in terms of the provisions of the Act and SEBI Listing Regulations. Further, the appointment of such Independent Directors shall be in terms of the Act and SEBI Listing Regulations.

XXVII. Proceedings of the Board

- 87.
- i. The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
 - ii. A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
- 88.
- i. Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
 - ii. In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.
89. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.
- 90.
- i. The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.
 - ii. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their members to be Chairperson of the meeting.
91. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
92. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.
93. The proceeding of the Board to be carried out in accordance with the provisions of the Act and SEBI Listing Regulations.

XXVIII. Quorum for Board Meeting

94. Subject to the provisions of Section 174 of the Act, the quorum for each Board Meeting shall be one-third of its total strength or Two (2) Directors, whichever is higher, and the presence of Directors by video conferencing or by other audio visual means shall also be counted for the purposes of calculating quorum. Provided that where at any time the number of interested Directors exceeds or is equal to two-thirds of the total strength, the number of the remaining Directors, that is to say, the number of the Directors who are not interested present at the meeting being not less than two, shall be the quorum during such meeting.
95. If a meeting of the Board could not be held for want of quorum, then the meeting shall automatically stand adjourned to such other time as may be fixed by the Chairman.

XXIX. Committees and delegation by Board

96. The Company shall constitute such Committees as may be required under the Act, applicable provisions of Law and the SEBI Listing Regulations. Without prejudice to the powers conferred by the other Articles and so as not to in any way to limit or restrict those powers, the Board may, subject to the provisions of Section 179 of the Act, delegate any of its powers to the Managing Director(s), the executive director(s) or manager or the chief executive officer of the Company. The Managing Director(s), the executive director(s) or the manager or the chief executive officer(s) as aforesaid shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on them by the Board and all acts done by them in exercise of the powers so delegated and in conformity with such regulations shall have the like force and effect as if done by the Board.
97. Subject to the applicable provisions of the Act, the requirements of Law, SEBI Listing Regulations and these Articles, the Board may delegate any of its powers to Committees of the Board consisting of such member or members of the Board as it thinks fit, and it may from time to time revoke and discharge any such committee of the Board either wholly or in part and either as to persons or purposes. Every Committee of the Board so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee of the Board in conformity with such regulations and in fulfilment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.
98. The meetings and proceedings of any such Committee of the Board consisting of more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulation made by the Directors under the last preceding Article.

XXX. Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer

99. Subject to the provisions of the Act, --
- i. A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
 - ii. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
100. A provision of the Act or these regulations requiring or authorising thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

XXXI. Passing of resolution by Circulation

101. 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 form, 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 provided under the Companies (Meetings of Board and its Powers) Rules, 2014 and has been approved by majority of Directors or members, who are entitled to vote on the resolution. However, in case one-third of the total number of Directors for the time being require that any resolution under circulation must be decided at a meeting, the Chairman shall put the resolution to be decided at a meeting of the Board.
102. A resolution mentioned 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.

XXXII. Minutes of the proceedings of Board / Committees / General Meetings

Minutes of the proceedings of Board / Committees / General Meetings shall contain a fair and correct summary of the proceedings conducted at the respective meeting and the same shall be prepared, circulated, maintained in accordance with the provisions of the Act and SEBI Listing Regulations.

XXXIII. The Seal

- 103.
- i. The Board shall provide for the safe custody of the seal.
 - ii. The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

XXXIV. Dividends and Reserve

104. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
105. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.
- 106.
- i. The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.
 - ii. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
- 107.
- i. Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

- ii. No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.
 - iii. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
108. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.
- 109.
- i. Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.
 - ii. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
110. Subject to the provisions of the Act, no unpaid or unclaimed Dividend shall be forfeited by the Board before the claim becomes barred by law.
111. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
112. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
113. No dividend shall bear interest against the company.

XXXV. Accounts

- 114.
- i. The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.
 - ii. No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.
 - iii. At least once in every year the accounts of the Company shall be examined and the correctness thereof and of the Balance sheet and Profit and loss statement ascertained by one or more Auditor or Auditors.
 - iv. The Officers and authorized nominees of any financial institution giving loan or any other form of financial assistance shall have a right to inspect the Factory Records, Documents, Registers, Books of Account and other relevant Statutory Books and obtain copies and extract from them during the normal working hours of the Company.
 - v. No Member shall not be entitled to inspect the Company's books without the permission of the Directors or to require discovery of or any information respecting any detail of the Company's trading or any matter which or may be in the nature of Trade secret, unitary of trade or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Directors, it will not be expedient in the interest of the members of the Company to communicate to the public.

XXXVI. Winding up

115. Subject to the provisions of Chapter XX of the Act and rules made there under –

- i. If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.
- ii. For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
- iii. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

XXXVII. Indemnity

116. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal

SECTION IX - OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Prospectus and will be delivered to the ROC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at, from the date of filing the Prospectus with RoC to Issue Closing Date on working days from 11.00 a.m. to 5.00 p.m.

MATERIAL CONTRACTS

- 1) Mandate Letters issued by Lead Manager, Mark Corporate Advisors Private Limited on December 04, 2017 to our Company.
- 2) MOU dated May 19, 2018 between Our Company and the Lead Manager.
- 3) MOU dated May 19, 2018 between our Company and the Registrar to the Issue.
- 4) Public Issue Account Agreement dated [●] among our Company, the Lead Manager, the Public Issue Bank/Banker to Issue and the Registrar to the Issue.
- 5) Underwriting agreement dated [•] between our Company and Lead Manager, Mark Corporate Advisors Private Limited.
- 6) Market Making Agreement dated [•] between our Company, the Lead Manager and the Market Maker.
- 7) The Company has entered into tripartite agreement dated April 25, 2018 amongst NSDL, the Company and Big Share Services Private Limited, the Registrar and Share Transfer Agent.
- 8) The Company has entered into tripartite agreement dated May 03, 2018 amongst CDSL, the Company and the Registrar and Share Transfer Agent.

MATERIAL DOCUMENTS

- 1) Certified true copy of the Memorandum and Articles of Association of our Company, as amended from time to time including certificates of incorporation.
- 2) Resolution of the Board dated April 02, 2018 authorizing the Issue.
- 3) Special Resolution of the shareholders passed at the EGM dated April 09, 2018 authorizing the Issue.
- 4) Copies of Audited Financial Statements of our Company for Nine Months ended December 31, 2017 and for the financial year ending March 31, 2017, 2016, 2015, 2014 & 2013.
- 5) Statement of Tax Benefits dated May 10, 2018 issued by Statutory Auditors & Peer Review Auditor M/s Karvy & Co, Chartered Accountants.
- 6) Report of the Peer Review Auditor, M/s Karvy & Company, Chartered Accountants, on the Restated Financial Statements for Nine (9) months period ended December 31, 2017 and Financial Year ended as on March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 & March 31, 2013 of our Company.
- 7) Consents of Promoters, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditors, Peer Review Auditor, Secretarial Auditor, Bankers to our Company, the Lead Manager, Underwriter, Registrar to the Issue, Market Maker to the Issue, Legal Advisor, Banker to the Issue/Public Issue Bank to the Issue, to act in their respective capacities.
- 8) Copy of approval from NSE *vide* letter dated [●] to use the name of NSE in the offer document for listing of Equity Shares on the SME Platform of NSE.
- 9) Due Diligence Certificates dated June 11, 2018 issued by the Lead Manager i.e. Mark Corporate Advisors Private Limited.
- 10) Copy of certificate from the Statutory Auditor of our Company dated May 10, 2018, Karvy & Co, Chartered Accountants having Firm Registration No. 001757S, regarding source and deployment of funds.

Any of the contracts or documents mentioned in this Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by other parties, subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We, the Directors, hereby certify and declare that, all relevant provisions of the Companies Act, 2013, applicable provisions of Companies Act, 1956 and the guidelines issued by the Government of India or the Regulations/Guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in the Prospectus is contrary to the provisions of the Companies Act, 2013, applicable provisions of Companies Act, 1956, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations / guidelines issued, as the case may be. We further certify that all the disclosures and statements made in the Prospectus are true and correct.

Signed by the Directors of our Company:

Alapaty Hari Hara Prasad
Chairman & Managing Director
DIN: 01842130

Sd/-

Alapaty Aruna
Executive Director
DIN:01842115

Sd/-

Alapati Kranthi Teja
Non-Executive Director
DIN:07468404

Sd/-

Anantha Narayana Katakam
Independent Director
DIN: 08061968

Sd/-

Venkat Prasad Chirumamilla
Independent Director
DIN: 02594817

Sd/-

Thirupathi Reddy Gudipathi
Independent Director
DIN: 08075502

Sd/-

Signed by the Chief Financial Officer & Company Secretary of our Company:

D Sunitha
Chief Financial Officer

Ekta Sharma
Company Secretary & Compliance Officer

Place : Hyderabad
Date : June 11, 2018