



Draft Prospectus
September 28, 2018
Please read Section 26 of Companies Act, 2013
Fixed Price Issue

AAKARSHIT ICE AND COLD STORAGE LIMITED

Our Company was originally incorporated as Aakarshit Ice and Cold Storage Private Limited on January 03, 1997 with the Registrar of Companies, Gwalior as a Private Limited company 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 Aakarshit Ice and Cold Storage Limited. A fresh certificate of incorporation consequent upon conversion to public limited company was issued by the Registrar of Companies, Gwalior on July 16, 2018. For further details of our Company, please refer to “General Information” and “History and Certain Other Corporate Matter” beginning on page no 1 and 94 respectively, of this draft Prospectus.

Registered Office: F-1 Chetak Arch, 7-M G Road, Indore – 452 001

CIN: U63022MP1997PTC011535



Contact Person: Ruchi Barche, Company Secretary and Compliance Officer

Tel. No.: 9993315000/ 0731 402010 (Cold Storage) **Website:** aakarshiticeandcoldstorage.com,

E-Mail ID: cs@aarashiticeandcoldstorage.com

PROMOTERS OF THE COMPANY: MR. MANGAL SAIN MADAAN AND MR. AAKARSHIT MADAAN

THE ISSUE	
PUBLIC ISSUE OF 25,00,000 EQUITY SHARES OF FACE VALUE OF ₹10 EACH OF AAKARSHIT ICE AND COLD STORAGE LIMITED (“AICSL” OR THE “COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF ₹[.] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹[.] PER EQUITY SHARE (THE “ISSUE PRICE”) AGGREGATING TO ₹[.] LAKHS (THE “ISSUE”), OF WHICH 1,40,000 EQUITY SHARES OF FACE VALUE OF ₹10 EACH FOR CASH AT A PRICE OF ₹[.] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹[.] PER EQUITY SHARE AGGREGATING TO ₹[.] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. NET ISSUE OF 23,60,000 EQUITY SHARES OF FACE VALUE OF ₹10 EACH AT A PRICE OF ₹[.] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹[.] PER EQUITY SHARE AGGREGATING TO ₹[.] LAKHS IS HEREIN AFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 45.20% AND 42.67% RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.	
THIS ISSUE IS BEING MADE IN TERMS OF CHAPTER XB OF THE SEBI (ICDR) REGULATIONS, 2009 AS AMENDED FROM TIME TO TIME. For further details see “Terms of the Issue” beginning on page 164 of this Draft Prospectus.	
In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015, all potential investors shall participate in the Offer only through an Application Supported by Blocked Amount (“ASBA”) process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks (“SCSBs”) for the same. For details in this regard, specific attention is invited to the chapter titled “Issue Procedure” beginning on page 172 of this Draft Prospectus. A copy will be delivered for registration to the Registrar of Companies as required under Section 26 of the Companies Act, 2013.	
THE FACE VALUE OF THE EQUITY SHARES IS ₹10 EACH AND THE ISSUE PRICE IS ₹[.]. THE ISSUE PRICE IS [.] TIMES OF THE FACE VALUE.	
RISK IN RELATION TO THE FIRST ISSUE	
This being the first Public Issue of our Company, there has been no formal market for the securities of our Company. The face value of the shares is ₹10 per Equity Shares and the Issue price is [.] times of the face value. The Issue Price (as determined by our Company in consultation with the Lead Manager) as stated in the chapter titled on “Basis for Issue Price” beginning on page 64 of this Draft Prospectus should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the equity shares of our Company or regarding the price at which the Equity Shares will be traded after listing.	
GENERAL RISKS	
Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares offered in the Issue have neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this Draft Prospectus. Specific attention of the investors is invited to the section titled “Risk Factors” beginning on page 14 of this Draft Prospectus.	
ISSUER'S ABSOLUTE RESPONSIBILITY	
The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.	
LISTING	
The Equity Shares offered through the Draft Prospectus are proposed to be listed on NSE EMERGE. In terms of the Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time, our Company has received in principle approval letter dated [.] from National Stock Exchange of India Limited (“NSE”) for using its name in this offer document for listing our shares on the SME Platform of NSE. For the purpose of this Issue, the designated Stock Exchange will be the NSE.	

LEAD MANAGER		REGISTRAR TO THE ISSUE	
	MARK CORPORATE ADVISORS PRIVATE LIMITED <i>CIN: U67190MH2008PTC181996</i> 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 E-Mail ID: compliance@markcorporateadvisors.com		BIGSHARE SERVICES PRIVATE LIMITED <i>CIN: U99999MH1994PTC076534</i> 1 st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makhwana Road, Marol, Andheri (E), Mumbai-400 059. Contact Person: Mr. Ashok S Shetty Tel No.: +91 22 2847 0652/4043 0200 E-Mail ID: ipo@bigshareonline.com SEBI Regn No.: INR000001385
	ISSUE PROGRAMME		
Issue Ope*ns on : <input type="checkbox"/>	Issue Opens on : <input type="checkbox"/>		



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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 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'	Aakarshit Ice and Cold Storage Limited, a company incorporated under the Companies Act, 1956 and having its Registered office at Chetak Arch7-M G Road Indore M.P. – 452 001 India
'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
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 M/s P.K. Shishodiya & Co., Chartered Accountants, having its Registered Office at 206- Airen Heights, Opp. C-21 Mall, A. B. Road, Indore – 452 010
Bankers to Our Company	Punjab National Bank
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 Mr. Santosh Kumar Binake
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company being Ms. Ruchi Barche
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
Group Companies/Entities	Such companies/entities as covered under the applicable accounting standards and such other companies as considered material by the Board. For details, please refer “ <i>Group Entities</i> ” on page no 109 of this Prospectus
ISIN	International Securities Identification number. In this case being INE01KJ01017
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 97 of this Prospectus
Memorandum/Memorandum of Association/MOA	The Memorandum of Association of our Company, as amended from time to time
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



Term(s)	Description
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 Review Auditor	The Peer Reviewed Auditor of Our Company M/s P.K. Shishodiya & Co, Chartered Accountants, having its Registered Office at 206-Airen Height, Opp. C-21 Mall, A.B. Road, Indore – 452 010
Promoters/Our Promoters	Promoters of Our Company namely, Mr. Mangal Sain Madaan and Mr. Aakarshit Madaan. For details, please refer “Our Promoters and Promoter Group” on page no 106 of this 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 “Our Promoters and Promoter Group” on page no 106 of this Prospectus
Registered Office	Chetak Arch-7, M G Road, Indore MP-452001, India
RoC	Registrar of Companies, Gwalior, Madhya Pradesh
Aakarshit Ice and Cold Storage Limited / AICSL the Company/our Company/we/us/our and the Issuer Company	Aakarshit Ice and Cold Storage Limited, a Public Limited Company incorporated under the provisions of the Companies Act, 1956

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 Prospectus
Application Amount	The amount at which the Applicant makes an application for Equity Shares of our Company in terms of this 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)/applicant(s) in this Issue who apply(ies) through the ASBA process in terms of this Prospectus



Term(s)	Description
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 [•]
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 172 of this Prospectus
Bid	An indication to make an offer during the Bid/Issue Period by a Bidder pursuant to submission of the 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 Application Form and payable by the Bidder upon submission of the Bid
Bid Lot	4,000 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
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/emerge
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	In our case, [•] having its Registered office at [•] and Corporate office at [•]



Term(s)	Description
Maker/Market Maker	
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, i.e. www.nseindia.com/emerge
Designated Stock Exchange	SME Platform of NSE
Draft Prospectus	The Draft Prospectus dated September 28, 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 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 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 172 of this Prospectus
Issue/Issue Size/ Initial Public Offer/Initial Offering/Initial Public Offering/ IPO	Public Issue of 25,00,000 Equity Shares of face value of 10 each fully paid of Aakarshit Ice and Cold Storage Limited for cash at a price of ₹[.] per Equity Share (including a premium of ₹[.] per Equity Share) aggregating ₹[.] Lakhs
Memorandum of Understanding/MoU	The MoU dated September 17, 2018 between our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue
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 Prospectus being ₹[.] per Equity Share of face value of ₹[.] each fully paid up
Issue Proceeds	Proceeds from the fresh Issue that will be available to our Company, being ₹[.] Lakhs
Listing Agreement	The Equity Listing Agreement to be signed between our Company and NSE
Lead Manager/LM	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.



Term(s)	Description
Market Maker Reservation Portion	The Reserved Portion of 1,40,000 Equity Shares of face value of ₹10 each fully paid for cash at a price of ₹[•] per Equity Share aggregating ₹[•] 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 23,60,000 Equity Shares of face value of ₹10 each fully paid for cash at a price of ₹[•] Equity Share aggregating ₹[•] 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 59 of this 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. [•] 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 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

Term(s)	Description
	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 SME	The SME Platform of NSE for listing of equity shares offered under Chapter XB of the SEBI (ICDR) Regulations
Underwriters	[·]
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
CSO	Central Statistics Organisation
IMF	International Monetary fund
GDP	Gross Domestic Product
NASSCOM	The National Association of Software and Services Companies
ASSOCHAM	The Associated Chambers of Commerce and Industry of India
RBI	Reserve bank Of India
GVA	Gross Value Added
CPI	Consumer Price Index
WPI	Wholesale Price Index
GW	Gigawatt
FAO	The Food and Agriculture Organization
WHO	World Health Organization
GM	Gram
NCCD	National Centre for Cold Chain Development
US	United States
\$	Dollar
CAGR	Compounded Annual Growth
GOI	Government of India
LLPD	Lakh liter per day
IQF	Individual Quick freezing
MT/Hr	Metric ton per Hour
Kg.	Kilo Gram
US\$	United States Dollar
TQM	Total Quality Management
ISO	International Organization for Standardization
HACCP	Hazard Analysis and Critical Control Points
EBITDA	Earnings before interest, tax, depreciation and amortization

Term(s)	Description
MP	Madhya Pradesh
w.r.t.	with respect to
PHM	Post-harvest management
F	Fahrenheit
KVA	Kilo-Volt-Ampere
D.G.	Diesel Generator
TR	Ton of Refrigeration
R&D	Research & development

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
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
FIs	Financial Institutions
FV	Face Value
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000

Term(s)	Description
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 108 of this Prospectus
Ltd.	Limited
MBA	Master in Business Administration
M.Com	Master Degree in Commerce
MD	Managing Director
MoU	Memorandum of Understanding
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

Term(s)	Description
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.
₹/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
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
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 211 of this 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 34 and 76 respectively, of this Prospectus, defined terms shall have the meaning given to such terms in that section.
- 3) In '*Risk Factors*' on page no 14 of this 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 66 of this 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 135 of this 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 Prospectus, the terms “we”, “us”, “our”, the “Company”, “our Company”, “Aakarshit Ice and Cold Storage Limited” and “AICSL”, unless the context otherwise indicates or implies, refers to Aakarshit Ice and Cold Storage Limited.

Financial Data

Unless stated otherwise, the financial data in this Prospectus is derived from our restated financial statements for the financial years ended March 31, 2014, 2015, 2016, 2017 and 2018 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 Prospectus, and set out in ‘Financial Statements’ on page no. 114 of this Prospectus.

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

There are significant differences between 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 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 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 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 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 Prospectus as rounded off to such number of decimal points as provided in such respective sources.

Currency and units of Presentation

In this Prospectus, unless the context otherwise requires, all references to (a) ‘Rupees’ or ‘₹’ or ‘₨’ 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 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 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 Prospectus is reliable, it has not been independently verified.



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



FORWARD LOOKING STATEMENTS

All statements contained in this 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 Prospectus regarding matters that are not historical facts. These forward looking statements and any other projections contained in this 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, 76 and 135 respectively of this Prospectus.

Forward looking statements reflects views as of the date of this 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 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 the 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 our Company operates 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 Company's business and could cause the trading price of the 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 Company's business, financial condition and results of operations, or which our Company currently deems immaterial, may arise or become material in the future. To obtain a complete understanding of our Company, prospective investors should read this section in conjunction with the sections entitled "The Company's Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 76 and 135 of the Draft Prospectus as well as other financial and statistical information contained in this Draft Prospectus. Unless otherwise stated in the relevant risk factors set forth below, our Company is not in a position to specify or quantify the financial or other risks mentioned herein.

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in the Equity Shares unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. Before making an investment decision, investors must rely on their own examination of the Issue and our Company. You should not invest in this Issue unless you are prepared to accept the risk of losing all or part of your investment, and you should consult your tax, financial and legal advisors about the particular consequences to you of an investment in the Equity Shares.

This Draft Prospectus also contains forward-looking statements that involve risks and uncertainties. Our Company's results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including events described below and elsewhere in this Draft Prospectus.

Unless otherwise stated, the financial information used in this section is derived from and should be read in conjunction with restated financial information of our Company prepared in accordance with the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, including the schedules, annexure and notes thereto. In this Draft Prospectus, any discrepancies in any table between total and the sums of the amount listed are due to rounding off.

Materiality:

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

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

INTERNAL RISK FACTORS

- 1. We are required to obtain and maintain certain regulatory approvals in respect of our business and operations. Failure to obtain or maintain such licenses, registrations, permits and approvals or their suspension on account of non-compliance of conditions may affect our business and results of operations.**

We are governed by various laws and regulations for our business and operations. We are required, and will continue to be required, to obtain and hold relevant licenses, approvals and permits at state and central



government levels for doing our business. The approvals, licenses, registrations and permits obtained by us may contain conditions, some of which could be onerous. Additionally, we will need to apply for renewal of certain approvals, licenses, registrations and permits, which expire. Further, our licenses, approvals and registration need to be updated to reflect the change in status of our Company from private limited company to public limited company. Further, in certain licenses/permissions such as Entrepreneur Memorandum, renewal of consent under Air (Prevention & Control Pollution) Act 1981 and Renewal of Authorisation under Hazardous Waste (Management, Handling & Transboundary Movement), the name of our Company has been misspelt as 'Akarshit'. We shall be taking necessary steps for transferring the approvals in new name of our Company and rectifying the name of the Company on the licenses.

Furthermore, we cannot assure you that the approvals, licenses, registrations and permits issued to us will not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Any suspension or revocation of any of the approvals, licenses, registrations and permits that has been or may be issued to us may affect our business and results of operations.

Our Company has not obtained registration under the Employees' State Insurance Act, 1948, ("ESI Act") in relation to its employees as it believes that it is a seasonal establishment on account of the seasonality of the goods stored at the facility. However, our Company has recently been advised that it requires registration under the ESI Act as it does not qualify as a seasonal establishment within the meaning of the term under the ESI Act. Failure to register under the ESI Act and to make contributions in compliance therewith could render the Company liable to penalties and actions under the ESI Act.

Further, our Company has not obtained registration under the Madhya Pradesh Professional Tax Act, 1995 ("MPT Act"). Our Company has recently been advised that it requires registration under the MPT Act as it: (i) is an employer under Madhya Pradesh Shops and Establishments Act, 1958; and (ii) employs more than 10 persons at its premises; and (iii) has employed professionals. Failure to register under the MPT Act and to make contributions in compliance therewith could render the Company liable to penalties and actions under the MPT Act.

These laws and regulations governing us are increasingly becoming stringent and may in the future create substantial compliance or liabilities and costs. While we endeavour to comply with applicable regulatory requirements, it is possible that such compliance measures may restrict our business and operations, result in increased cost and onerous compliance measures, and an inability to comply with such regulatory requirements may attract penalty.

For further details, please refer chapters titled "Key Industry Regulations and Policies" and "Government and Other Statutory Approvals" on page nos. 85 and 146 respectively of this Draft Prospectus.

2. Continuation of Mr. Naveen Madaan as member of the Board of Directors of the Company despite being disqualified in terms of Companies Act, 2013, and making decisions on matters relating to the Company during such period

Mr. Naveen Madaan was a director of our Company for the period 3rd January 1997 to 26th July 2017. He was disqualified pursuant to Section 164 of the Companies Act, 2013 on account of a company in which he was a director failing to file financial statements or annual returns for a continuous period of 3 financial years. His disqualification is from 1st November 2016 upto 30th October 2021. In terms of Section 164, the disqualification of a director results in automatic vacation of his office as director in all other companies in which he is a director. However, our Company and Mr. Madaan were unaware of such disqualification and Mr. Madaan continued to act as a director of our Company and took decisions on behalf of the Company and represented the Company in several matters during the disqualification period.

Further, at the relevant time during which Mr. Madaan continued to act as a director of our Company, albeit disqualified, there was only one other director on the Board of Directors of the Company namely, Mr. Mangal Sain Madaan. Hence, owing to such disqualification of Mr. Naveen Madaan our Company was unknowingly operating with a single director on the Board which is in contravention of the provisions of Companies Act, 2013 and for which the Company and every officer of the Company may be liable to fines and penalties.



Though the continuance of Mr. Madaan on the Board of our Company despite disqualification was not known by him or our Company, the decisions taken by Mr. Naveen Madaan during his continuance on our Board of Directors despite disqualification could be deemed to be null and void. This may impact several business decisions taken by our Company and have an adverse impact on our business and operations.

3. *Continuation of Mr. Mangal Sain Madaan as a Managing Director of the Company without special resolution after the age of 70*

With effect from 1st April 2014, as per Companies Act, 2013, a person cannot hold office of Managing Director beyond the age of 70 years without a special resolution of members permitting the same. On 1st April 2014 Mr. Mangal Sain Madaan had already attained the age of more than 70 years, however as our Company was not aware of this position in law we did not pass a special resolution permitting him to continue as a director. Our Company has on 16th August 2018 passed a special resolution permitting Mr. Mangal Sain Madaan to continue as a Managing Director of the Company. Although no show cause notice has been issued against our Company till date in respect of the above, in the event of any cognizance being taken by the concerned authorities, action may be taken against our Company and/or Directors, or penalties may be levied or proceedings initiated in this behalf. This would impact the financial position and standing of the Company.

4. *Inadvertent error in MOA*

Whilst amending our Memorandum of Association for the change in status to public limited company and to align with the format as set out in Companies Act, 2013 on 16th July 2018, our Company had inadvertently not incorporated the object of 'agri-trading activities'. However, on discovery the same our Company amended the MOA on 16th August 2018 so as to incorporate the said object. Hence, for the interim period our Company carried out the trading activities without having necessary provisions in the MOA. Although no show cause notice has been issued against our Company till date in respect of the above, in the event of any cognizance being taken by the concerned authorities, action may be taken against our Company and/or Directors, or penalties may be levied or proceedings initiated in this behalf. This would impact the financial position and standing of the Company.

5. *We provide cold storage facilities for various agricultural commodities such as potatoes, carrot, mahua, jaggery which are perishable in nature. We are exposed to risk of spoilage of commodities, which may adversely affect our business prospects, results of operations and financial condition.*

We provide cold storage facility for various commodities like agricultural commodities such as potatoes, carrot, mahua, jaggery. These commodities are to be stored in requisite temperature and conditions at our facility. In the event that these commodities are not appropriately stored and handled under proper conditions, the quality of commodities may be affected, which may result into spoilage. We are required to maintain the requisite standard for storage of products under controlled atmospheric temperature and moisture level. If the commodities stored by our Company are found to be damaged or reported to be associated with any incidents that might cause damage or spoilage, our Company's reputation, business, prospects, financial condition and results of operations could be materially and adversely affected. There can be no assurance that our Company will succeed in avoiding any such incident of damage or spoilage during the storing of agricultural commodities in the future.

6. *Growth of competition in our target space and failure by us to compete effectively could have a material effect on our business, financial condition and results of operations*

We are operating in a fragmented industry where market dominance is dependent on areas we serve. Currently we operate from a strategic ideal location on Indore Pithampur Bypass which leads to the Pithampur Industrial area which is largest Industrial Area in the State of Madhya Pradesh. Agro products, being perishable commodities, it becomes very important to collect the produce from the farmers immediately and keep it in cold storage. Also with the increasing infrastructure and transportation in the area, supplying the stored agro commodities to wholesalers has become quick and convenient. Presently there are no other cold storage facilities comparable to the size and capabilities of our Company within a radius of approximately 10 kms and thus it provides us with a significant competitive edge. However we cannot assure you that in the future established players having integrated cold storing model where they provide end to end solutions from road logistics to supply chain management from



various locations would not target the market in which we operate. Competition from such players may directly affect our market share in and around our targeted area of business. Any failure by us to compete effectively, including in terms of the pricing of our services, could have a material effect on our business, financial condition and results of operations.

7. All our present cold storage facilities are geographically located in one area and therefore, any localized social unrest, natural disaster or breakdown of services or any other natural disaster in and around Madhya Pradesh could have material adverse effect on our business and financial condition.

Our cold storage facility is based at Sonvay, Indore, M.P. As a result, any localized social unrest, natural disaster, adverse weather conditions, earthquakes, fires, explosives, power loss, or breakdown of services and utilities in and around Indore could have material adverse effect on our business, financial position and results of operations. Further, any failure of our systems or any shutdown of any part of our, networks, operations because of operational disruptions, natural disaster or other factors, could disrupt our services and adversely affect our result of operations and financial condition.

8. The loss of or shutdown of operations at our cold storages may have a material adverse effect on our business, financial condition and results of operations.

The breakdown or failure of our equipment and/ or civil structure can disrupt our schedules, resulting in performance being below expected levels. In addition, the development or operation of our facility may be disrupted for reasons that are beyond our control, including explosions, fires, earthquakes and other natural disasters, breakdown, failure or sub-standard performance of equipment, improper installation or operation of equipment, accidents, operational problems, transportation interruptions, other environmental risks, and labour disputes. Our machineries may be susceptible to malfunction. If such events occur, the ability of our facilities may be adversely affected which may affect our business, financial condition and results of operations.

9. Our business operations involve handling and storage of hazardous materials. Risks arising from the same may result in damages to life and property, as also exposure to litigations.

Our Company is engaged in providing cold storage facility require handling hazardous materials including toxic and combustible materials. We are also required to obtain several licenses and approvals for the storage and handling of such materials, which in turn impose several obligations and restrictions on our Company. If improperly handled or subjected to less than optimal conditions, these materials could harm employees and other persons, cause damage to life and to property and harm the environment. Our cold storage facility is exposed to risks of leaks and spills of ammonia which is considered to be toxic gas. We believe that modern ammonia refrigeration systems are designed to avoid the accidental release of ammonia, leaks and spills. To avoid such accident, proper staff training is essential. We believe that our emergency plans are effective and employees understand their role and are ready to implement the plan when needed. Any such mishaps may adversely affect our profits, revenue from operations and cash flows.

10. The business in which we operate is highly seasonal and such seasonality may affect our operating results.

Our business is seasonal in nature. Our Company is engaged in providing agri cold storage facility and agri trading activities hence our business supplies/operations relates to agricultural sector which is dependent on weather conditions which are uncertain. Our business is influenced by the traditional crop seasons. The agriculture sector in India depends on monsoon for cultivation. The timing and seasonality of rainfall has an impact on the business of our Company. Thus, we are subject to seasonal factors, which could make our operational results very unpredictable.

Due to the inherent seasonality of our business, results of one reporting period may not be necessarily comparable with preceding or succeeding reporting periods.



11. *We have not made any alternate arrangements for meeting our additional Working Capital requirements for the Objects of the issue. Further we have not identified any alternate source of financing the Objects of the Issue. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance.*

As on date, our Company has not made any alternate arrangements for meeting our additional Working Capital requirements for the objects of the issue. Our Company meets its working capital requirements through bank finance, owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in the Company being unable to meet its fund requirements, which in turn will negatively affect its financial condition and results of operations. Further our Company has not identified any alternate source of funding and hence any failure or delay on our part to raise money from this issue or any shortfall in the issue proceeds may delay the implementation schedule and could adversely affect our growth plans.

12. *Our insurance coverage may not be adequate to protect us against certain operating hazards and this may have a material adverse effect on our business.*

Operating and managing a business involves many risks that may adversely affect our operations and the availability of insurance is therefore important to our operations. In addition, our Company cannot be certain that the existing coverage will be available in sufficient amounts to cover one or more large claims, or that our insurers will not disclaim coverage as to any claims. A successful assertion of one or more large claims against our Company that exceeds our available insurance coverage or that leads to adverse changes in our insurance policies, including premium increases or the imposition of a large deductible or coinsurance requirement, could adversely affect our financial condition and results of operations. Our Company has not availed key man insurance policies and business interruption / loss of profits insurance cover.

13. *We depend on certain brand names and our corporate name and logo that we may not be able to protect and/or maintain.*

Our ability to market and sell our products depends upon the recognition of our brand names and associated consumer goodwill. Currently, we do not have registered trademarks for our own nor our corporate name and logo under the Trade Marks Act, 1999. Consequently, we do not enjoy the statutory protections accorded to registered trademarks in India for the corporate name and logo of our company, which is currently pending. In the absence of such registrations, competitors and other companies may challenge the validity or scope of our intellectual property right over these brands or our corporate name or logo. As a result, we may be required to invest significant resources in developing new brands or names, which could materially and adversely affect our business, financial condition, results of operations and prospects.

14. *Our Company if not able to manage our growth or to successfully implement our business plan could have an effect on our business, results of operations and financial condition.*

The success of our business will depend greatly on our ability to effectively implement our business and growth strategy. Our growth strategy involves focusing on optimal utilization of resources and to develop relationships with customer and suppliers. For further details, see the section titled “Our Business – Our Strategies” on beginning on page 76 of the Draft Prospectus. Our success in implementing our growth strategies may be affected by:

- Our ability to identify new markets to expand;
- Our ability to maintain the quality of our products and services;
- Changes in the regulatory environment in field of cold storage and agri trading.

Our Company if is not able to execute our strategy on time and within our estimated budget, or that our expansion and development plans fail to generate the required results, it may adversely impact our profitability. Any of these factors could impact our results of operations. Further, we expect our growth strategy to place significant demands on our management, financial and other resources and require us to continue developing and improving our operational, financial and other internal controls, none of which can be assured.



Any failure on our part to scale up our infrastructure and management could cause disruptions to our business and could be detrimental to our long term business outlook. Further, we operate in a dynamic industry, and on account of changes in market conditions, industry dynamics, technological improvements and any other relevant factors, our growth strategy and plans may undergo changes or modifications, and such changes or modifications may be substantial, and may even include limiting or foregoing growth opportunities if the situation so demands. Our inability to implement our business strategies and sustain our growth may impair our financial growth and thus result in an adverse impact on our Company's share price.

15. The shortage or non-availability of power facilities may adversely affect our business operation and also our results of operations and financial condition.

Our business of providing cold storage facility requires substantial amount of power facilities. Expenditure on electricity constitutes around 4% of our total revenue for the year ended 31st March 2018. The quantum and nature of power requirements of our industry and Company is such that it cannot be supplemented / augmented by alternative / independent sources of power supply since it involves significant capital expenditure and per unit cost of electricity produced is very high in view of increasing oil prices and other constraints. We are mainly dependent on Madhya Pradesh Paschim Kshetra Vidyut Vitaran Company Ltd for meeting our electricity requirements. Further, since our Company is majorly dependent on State provided power supply; there may be factors beyond our control affecting the supply of power, however our Company has made standby arrangement by installing 1 D.G. set of 160 KVA and another of 125 KVA to counter power cut / power failure or similar kind of eventuality. Any disruption / non-availability of power or breakdown of standby arrangements of power shall directly affect our production which in turn shall have an impact on profitability and turnover of our Company.

16. We have had certain inaccuracy in relation to regulatory filings and lapses in statutory compliances

Our Company is required to make filings and statutory compliances under applicable law. In the past there have been some instances of non-filings of statutory forms with the Registrar of Companies in relation to charges created against motor vehicle loans availed by our Company. In certain cases our Company has made delayed filings with payment of requisite penalties for the same. Our Company has not maintained statutory registers nor filed annual returns as prescribed under applicable labour legislations.

Although no action has been taken by the relevant bankers nor have show cause notice been issued against our Company till date in respect of the above, in the event of any cognizance being taken by the bankers or concerned authorities, actions may be taken against our Company and/or Directors, or penalties may be levied or proceedings initiated in this behalf. This would impact the financials of the Company as well as cause the management to spend significant time in defending the Company's position in these matters with the bankers and regulatory authorities.

17. We have not entered into any long-term agreements with our suppliers in relation to trading activities and accordingly may face disruptions in supply from our current suppliers.

We are inter alia engaged in the business of agri trading. We procure agri products directly from farmers who are our suppliers. There is no specific agreement / arrangement which has been entered into between our Company and our suppliers and we typically transact on individual supply basis. These suppliers provide us the agri products based on trust, service and the ready finance provided by us. In the absence of written agreements, our suppliers can withdraw supply at any time which may lead to significant disruption in our trading activities, or, in the event of a disruption, that we would be able to locate alternative suppliers for the same on terms acceptable to us, or at all. If we are unable to maintain our relationship with our current suppliers it may prove difficult to obtain the same from other available suppliers.

Any delay, interruption or increased cost in the supply of agri products arising from a lack of long-term arrangements with our suppliers could affect our ability to carry out our agri trading business and result in lower revenue from operations both in the short and long term.



18. *We depend on third parties for a major portion of our transportation needs. Any disruptions may affect our operations, business and financial condition.*

We rely on third party transportation in relation to our trading activities. For this purpose, we hire services of transportation companies on an as needed basis. We rarely enter into written documentation in relation to the transportation services we hire which poses various additional risks. Further, the cost of our goods carried by such third party transporters is typically much higher than the consideration that would have been paid for in house transportation network, due to which it may be difficult for us to recover compensation for damaged, delayed or lost goods.

Our business is vulnerable to increased transportation costs including as a result of increase in fuel costs, transportation strikes, delays, damage or losses of goods in transit and disruption of transportation services because of weather related problems, strikes, lock-outs, accidents, inadequacies in road infrastructure or other events. Although we have not experienced any disruptions in the past, any prolonged disruption or unavailability of such facilities in a timely manner could result in delays or non-supply or may require us to look for alternative sources which may be cost inefficient, thereby affecting our operations and profitability.

19. *The loss, shutdown or slowdown of operations at our facility or the under-utilization of such facility may have a material effect on our results of operations and financial condition.*

Our business and results of operations are dependent on our ability to effectively plan utilization of our cold storage facility. Any disruption to our cold storage facility or under utilization of our cold storage facility may result from various factors beyond our control. Although our cold storage facility has not experienced any material disruption in the past, there can be no assurance that there will not be any material disruption to our operations in the future. If we fail to take adequate steps to mitigate the likelihood or potential impact of these events, or to effectively respond to these events if they occur, our business, results of operations and financial condition could be materially affected.

20. *We are dependent on our senior management and other key personnel, and the loss of, or our inability to attract or retain, such persons could affect our business, results of operations, financial condition and cash flows.*

Our performance depends largely on the efforts and abilities of our senior management and other key personnel, including our Promoters and Directors. We believe that the inputs and experience of our senior management, in particular, and other key personnel are valuable for the development of our business and operations and the strategic directions taken by our Company. Mr. Mangal Sain Madaan currently serves as a Managing Director and his experience and vision has played a key role in obtaining our current market position. We cannot assure you that these individuals or any other member of our senior management team will not leave us or join a competitor or that we will be able to retain such personnel or find adequate replacements in a timely manner, or at all. We may require a long period of time to hire and train replacement personnel when qualified personnel terminate their employment with our Company. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting employees that our business requires. The loss of the services of such persons may have an effect on our business, results of operations, financial condition and cash flows.

21. *Our Company has not entered into any long-term contracts with most of its customers and typically cold storage services are on a need basis. Inability to maintain regular order flow would adversely impact our revenues and profitability.*

Our Company has had business relationships with certain customers and has been cold storage facilities to such customers for a few years. However, we have not entered into any contracts with these customers and we cater to them on an usage requirement 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 requirement of our customers. Our Company's customers have no obligation to do business with us and may either cancel, reduce or delay availing our cold storage facilities.



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

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

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

Our Company has secured our lenders by creating a charge over our movable and immovable properties in respect of loans / facilities availed by us from banks and financial institutions. In the event we default in repayment of the loans / facilities availed by us and any interest thereof, the Company's properties may be forfeited by lenders, which in turn could have significant adverse effect on business, financial condition or results of operations. For further information on the *Financial Indebtedness* please refer to page 133 of this Draft Prospectus.

24. *Compliance with restrictive conditions under financing arrangements*

Our lenders have imposed certain restrictive conditions on us under our financing arrangements. Under our financing arrangements, we are required to obtain the prior, written lender consent for, among other matters, changes in our capital structure. There can be no assurance that we will be able to comply with these financial or other covenants or that we will be able to obtain the consents necessary to take the actions we believe are necessary to operate and grow our business.

Any failure to comply with these conditions or covenants under our financing agreements that is not waived by our lenders or is not otherwise cured by us, may require us to repay the borrowing in whole or part and may include other related actions. This may adversely affect our ability to conduct our business and impair our future growth plans. Though these covenants are restrictive to some extent for us, however it ensures financial discipline, which would help us in the long run to improve our financial performance.

25. *Our Promoters and relative of our Promoters have provided personal guarantees to certain loan facilities availed by our Company, which if revoked may require alternative guarantees, repayment of amounts due or termination of the facilities.*

Our Promoters and relative of our Promoter, i.e. Mr. Naveen Madaan have provided personal guarantees in relation to certain loan facilities availed of by our Company. Further, in the event that any of these guarantees are revoked, the lenders for such facilities may require alternate guarantees, repayment of amounts outstanding under such facilities, or may even terminate such facilities. We may not be successful in procuring alternative guarantees satisfactory to the lenders, and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which may not be available on acceptable terms or at all and any such failure to raise additional capital could affect our operations and our financial condition.

For further details, please refer to chapter titled "Statement of Financial Indebtedness" beginning on page 133 of the Draft Prospectus.

26. *Our business operations may be affected by strikes, work stoppages or increased wage demands by our employees.*



We have not experienced any major disruptions to our business operations due to disputes or other problems with our work force in the past, there can be no assurance that we will not experience such disruptions in the future. Such disruptions may affect our business and results of operations and may also divert the management's attention and result in increased costs.

India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. Although our employees are not currently unionized, there can be no assurance that they will not unionize in the future. If our employees unionize, it may become difficult for us to maintain flexible labour policies, and we may face the threat of labour unrest, work stoppages and diversion of our management's attention due to union intervention, which may have a material impact on our business, results of operations and financial condition. We are also subject to laws and regulations governing relationships with employees, in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees and work permits. Shortage of skilled personnel or work stoppages caused by disagreements with employees could have an effect on our business and results of operations.

27. 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. As of 31 July 2018, our Company has a sanctioned limit for working capital of ₹ 6.50 Crore from the existing bankers / financial institutions. 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.

28. Our Company has taken unsecured loans that may be recalled by the lenders at any time.

Our Company has currently availed unsecured loans which may be called by their lenders at any time. As on July 31, 2018, the unsecured loan amounting ₹ 20,18,500/- were due to lenders. In the event that lender seeks a repayment of any such loan, our Company would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. Also there is no formal agreement with our lender. As a result, any such demand may affect our business, cash flows, financial condition and results of operations. Additionally our Company has not executed any formal loan agreement of above unsecured loan, any dispute arises in relation to terms of loans may affect the loans by our Company. For further details on financing arrangements entered into by our Company, please refer chapter titled "Statement of Financial Indebtedness" beginning on page 133 of Draft Prospectus.

29. Employee misconduct, errors or fraud could expose us to business risks or losses that could adversely affect our business prospects, results of operations and financial condition.

Employee misconduct, errors or frauds could expose us to business risks or losses, including regulatory sanctions, penalties and serious harm to our reputation. Such employee misconduct includes breach in security requirements, misappropriation of funds, hiding unauthorized activities, failure to observe our stringent operational standards and processes, and improper use of confidential information. It is not always possible to detect or deter such misconduct, and the precautions we take to prevent and detect such misconduct may not be effective. In addition, losses caused on account of employee misconduct or misappropriation of petty cash expenses and advances may not be recoverable, which we may result in write-off of such amounts and thereby adversely affecting our results of operations. Our employees may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions in which case, our reputation, business prospects, results of operations and financial condition could be adversely affected.

30. Our Group entity namely Motels Rahans Private Limited has incurred losses in last three (3) financial years



The Losses incurred by Motels Rahans Private Limited is as under:

Particulars	2014-15	2015-16	2016-17
Paid Up Capital	(-3.22)	(-4.33)	(-8.47)
Reserves & Surplus	(-15.47)	(-16.58)	(-20.72)
Profit after Tax	(-4.13)	(-1.10)	(-6.34)
Net Asset Value	(-26.33)	(-35.38)	(-69.17)

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

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

32. *We have not independently verified certain data in this Draft Prospectus.*

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

RISK FACTORS RELATED TO EQUITY SHARES

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

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



financing could result in the delay or abandonment of our expansion plans. Our business and future results of operations may be affected if we are unable to implement our expansion strategy.

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

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

There is no guarantee that our Equity Shares will be listed on the Stock Exchanges in a timely manner or at all and any trading closures at the Stock Exchanges may adversely affect the trading price of our Equity Shares. Prior to the Issue, there has not been a public market for the Equity Shares. Further, we cannot predict the extent to which investor interest will lead to the development of an active trading market on the Stock Exchanges or how liquid that market will become. If an active market does not develop, you may experience difficulty selling the Equity Shares that you purchased. The Issue Price of our Equity Shares has been determined on the basis of the Fixed Price Process. This price is based on numerous factors. For further information, see "Basis for Issue Price" beginning on page 64 of this Draft Prospectus and may not be indicative of the market price of our Equity Shares after the Issue. The Issue Price is not indicative of prices that will prevail in the open market following the Issue. Consequently, you may not be able to sell your Equity Shares at prices equal to or greater than the 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;
- Domestic and international economic, legal and regulatory factors unrelated to our performance;
- Risks relating to our business and industry, including those discussed in this Draft Prospectus;
- 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 including in the rate of growth of our financial indicators, such as earnings per share, net income and revenues;
- 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 companies in the cold storage and agri trading sector generally, including investments in the same;
- Significant developments in the regulations of the cold storage and agri trading industry on a pan India level or in the jurisdictions where we have our facilities;
- Changes in the estimates of our performance or recommendations by financial analysts;
- Significant developments in India's economic liberalisation 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.

35. 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. We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. We cannot state with any certainty whether we will be able to pay dividends in the future. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see “Dividend Policy” beginning on page 113 of the Draft Prospectus.

36. Investors may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.

Under current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if Securities Transaction Tax (STT) has been paid on the transaction. STT will be levied on and collected by a domestic stock exchange on which the equity shares are sold. Any gain realized on the sale of equity shares held for more than 12 months to an Indian resident, which are sold other than on a recognised stock exchange and on which no STT has been paid, will be subject to long term capital gains tax in India. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India’s ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares. In addition, changes in the terms of tax treaties or in their interpretation, as a result of renegotiations or otherwise, may affect the tax treatment of capital gains arising from a sale of Equity Shares.

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

The articles of association, resolutions of the board of directors, and Indian law govern the corporate affairs of companies operating in India. Legal principles relating to these matters and the validity of corporate procedures, directors’ fiduciary duties and liabilities, and shareholders’ rights may differ from those that would apply to a company incorporated in another jurisdiction. Shareholders’ rights under Indian law may not be as extensive as shareholders’ rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as our Company’s shareholders than as shareholders of corporations in another jurisdiction.

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

There are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company, even if a change in control would result in the purchase of your Equity Shares at a premium to the market price or would otherwise be beneficial to you. Such provisions may discourage or prevent certain types of transactions involving actual or threatened change in control of us. Under the takeover regulations in India, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to its stakeholders, it is possible that such a takeover would not be attempted or consummated because of the Indian takeover regulations.

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

Our Promoters average cost of acquisition of Equity Shares in our Company may be lower than the Issue Price as may be decided by the Company in consultation with the Lead Manager. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoters



in our Company, please refer to the chapters “Risk Factors - Prominent Notes” and “Capital Structure” beginning on pages 14 and 47 respectively of this Draft Prospectus.

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

Our Company has not issued any equity shares that may be lower than the issue price except allotment of 20,19,900 bonus Equity Shares in ratio of 2:1 as on 12th July, 2018 to the shareholders.

EXTERNAL RISK FACTORS

1. Changing laws, rules and regulations and legal uncertainties, including application of tax laws and regulations, may affect our business and financial performance.

Our Company is subject to various regulations and policies. For details see section titled “Key Industry Regulations and Policies” beginning on page no. 85 of this Draft Prospectus. The regulatory and policy environment in which we operate is evolving and subject to change. Our business and financial performance could be affected by changes in law, or interpretations of existing laws, rules and regulations, or the promulgation of new laws, rules and regulations in India, applicable to us and our business including the instances mentioned below, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy.

The governmental and regulatory bodies in India and other jurisdictions where we operate/have substantial business dealings in may notify new regulations and/or policies, which may require us to obtain approvals and licenses from the government and other regulatory bodies, or impose onerous requirements and conditions on our operations/activities, in addition to those which we are undertaking currently. Any such changes and the related uncertainties with respect to the implementation of new regulations may have a material effect on our business, financial condition and results of operations. There can be no assurance that our Company will succeed in obtaining all requisite regulatory approvals in the future for our operations or that compliance issues will not be raised in respect of our operations, either of which could have a material adverse affect on our business, financial condition and results of operations.

The application of various Indian and international sales, value-added and other tax laws, rules and regulations to our products, currently or in the future, may be subject to interpretation by applicable authorities, and if amended/notified, could result in an increase in our tax payments (prospectively or retrospectively) and/or subject us to penalties, which could affect our business operations. The Government of India has implemented a comprehensive national goods and services tax, or GST, regime that combines taxes and levies by the central and state governments into a unified rate structure. The regime is in its nascent stage and is constantly under review and modifications by the Government and related authorities. These amendments may impact our business and may result in significant additional taxes becoming payable by us.

2. 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.

Companies Act, 2013 and related rules which are now almost fully in force 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. To comply with the provisions of Companies Act, 2013 we may need to allocate additional resources, which may increase our

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

3. Our business is dependent on the Indian economy.

The performance and growth of our business are necessarily dependent on economic conditions prevalent in India, which may be materially and adversely affected by center or state political instability or regional conflicts, a general rise in interest rates, inflation, and economic slowdown elsewhere in the world or otherwise.

There have been periods of slowdown in the economic growth of India. India's economic growth is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports (oil and oil products), global economic uncertainty and liquidity crisis, volatility in exchange currency rates and annual rainfall which affects agricultural production. Any continued or future slowdown in the Indian economy or a further increase in inflation could have a material adverse effect on the price of our raw materials and demand for our products and, as a result, on our business and financial results.

The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in emerging market in Asian countries. Financial turmoil in Asia, Europe, Middle East, the U.S. and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability, including the financial crisis and fluctuations in the global stock markets, could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our business and financial results.

4. Our performance is linked to the stability of policies and the political situation in India.

The Government of India has traditionally exercised, and continues to exercise, a significant influence over many aspects of the economy. Our business, and the market price and liquidity of our Equity Shares, may be affected by interest rates, changes in government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. Since 1991, successive Indian governments have pursued policies of economic liberalization and financial sector reforms. The current Government has announced its general intention to continue India's current economic and financial sector liberalization and deregulation policies. However there can be no assurance that such policies will be continued and a significant change in the government's policies in the future could affect business and economic conditions in India and could also adversely affect our business, prospects, financial condition and results of operations.

Any political instability in India may adversely affect the Indian securities markets in general, which could also adversely affect the trading price of our Equity Shares. Any political instability could delay the reform of the Indian economy and could have a material adverse effect on the market for our Equity Shares. There can be no assurance to the investors that these liberalization policies will continue under the newly elected government. Protests against privatization could slow down the pace of liberalization and deregulation. The rate of economic liberalization could change, and specific laws and policies affecting companies in the cold storage and agri sectors, foreign investment, currency exchange rates and other matters affecting investment in our securities could change as well. A significant change in India's economic liberalization and deregulation policies could disrupt business and economic conditions in India and thereby affect our business.



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

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

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

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

Prominent Notes:

- 1) Public Issue of 25,00,000 Equity Shares of Face Value of ₹ 10.00 each of Aakarshit Ice and Cold Storage Limited ("AICSL" or "Our Company" or "The Issuer") for Cash at a price of ₹[•]/- per Equity Share (Including a share premium of ₹ [•] /- per Equity Share) ("Issue Price") aggregating to ₹[•] Lakhs, of which 1,40,000 Equity Shares of Face Value of ₹ 10.00 each at a price of ₹[•] aggregating to ₹ [•] Lakhs will be reserved for subscription by Market Maker ("Market Maker Reservation Portion") and Net Issue to Public is 23,60,000 Equity Shares of Face Value of ₹ 10.00 each at a price of ₹[•] aggregating to [•] (hereinafter referred to as the "Net Issue"). The Issue and the Net Issue will constitute 45.20% and 42.67% respectively of the Post Issue paid up Equity Share Capital of Our Company.
- 2) This Issue is being made for at least 25% of the post-issue paid-up Equity Share capital of our Company, pursuant to Rule 19(2) (b) (i) of the Securities Contracts (Regulation) Rules, 1957 as amended. This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. As per Regulation 43(4) of the SEBI (ICDR) Regulations, as amended, since our is a fixed price issue 'the allocation' is the net issue to the public category shall be made as follows:
 - a) Minimum fifty percent to retail individual investors; and
 - b) Remaining to
 - (i) Individual applicants other than retail individual investors; and
 - (ii) Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for
 - c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

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

- 3) The Return on net worth of our Company as on March 31, 2018, March 31, 2017 and March 2016 was 22.29% 20.46%, and 20.37% respectively based on Restated Financial Statements. For more information, see section titled "Financial Information of the Company" beginning on page 114 of this Draft Prospectus.
- 4) The NAV / Book Value per Equity Share based on Restated Financials of our Company as on March 31, 2018, March 31, 2017 and March 31, 2016 was ₹54.95, ₹32.80 and ₹26.09 per equity share respectively based on Restated Financial Statements. For more information, see section titled "Financial Information of the Company" beginning on page 114 of this Draft Prospectus.
- 5) The average cost of acquisition of Equity Shares by our Promoters is set out below:

Sr. No.	Name of the Promoters	No of Shares held	Average cost of Acquisition
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			(in ₹)
1)	Mangal Sain Madaan	8,17,500	3.33
2)	Aakarshit Madaan	6,61,350	3.33

For further details, see chapter titled "Capital Structure" beginning on page 47 of this Draft Prospectus.

- 6) The details of transactions of our Company with related parties, nature of transactions and the cumulative value of transactions please refer to section titled "Financial Information of the Company – Annexure XXVI Statement of Related Parties Transactions, and Related Party Transactions" beginning on page 114 and on 112 page of this Draft Prospectus.
- 7) 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 XXVI -Statement of Related Parties Transactions, as Restated" beginning on page 131 and "Our Group Companies/Entities" beginning on page 109 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.
- 8) Our Company was originally incorporated as Aakarshit Ice and Cold Storage Private Limited on January 03, 1997 with the Registrar of Companies, Gwalior as a Private Limited company 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 Aakarshit Ice and Cold Storage Limited. A fresh certificate of incorporation consequent upon conversion to public limited company was issued by the Registrar of Companies, Gwalior on July 16, 2018.
- 9) 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 Prospectus.
- 10) 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.
- 11) Investors are advised to see the chapter titled "Basis for Issue Price" beginning on page 64 of this Prospectus.
- 12) The Lead Manager and our Company shall update the Prospectus and keep the investors / public informed of any material changes till listing of the Equity Shares offered in terms of the Prospectus and commencement of trading.
- 13) 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.
- 14) In the event of over-subscription, allotment shall be made as set out in paragraph titled "Issue Procedure" beginning on page 172 of this Draft Prospectus and shall be made in consultation with the Designated Stock Exchange i.e. NSE. 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.
- 15) 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 97, 106 and 114 respectively of this Draft Prospectus.



- 16)** 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 114 of this Prospectus.
- 17)** Trading in the Equity Shares for all investors shall be in dematerialized form only.
- 18)** 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 94 of this Draft Prospectus.



SECTION III - INTRODUCTION

SUMMARY OF OUR INDUSTRY

Indian Economy Overview

Introduction

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organisation (CSO) and International Monetary Fund (IMF) and it is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships. India's GDP is estimated to have increased 6.6 per cent in 2017-18 and is expected to grow 7.3 per cent in 2018-19.

Market Size

India's gross domestic product (GDP) at constant prices grew by 7.2 per cent in September-December 2017 quarter as per the Central Statistics Organisation (CSO). Corporate earnings in India are expected to grow by 15-20 per cent in FY 2018-19 supported by recovery in capital expenditure, according to JM Financial.

The tax collection figures between April 2017-February 2018 show an increase in net direct taxes by 19.5 per cent year-on-year and an increase in net direct taxes by 22.2 per cent year-on-year.

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

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

India's foreign exchange reserves were US\$ 422.53 billion in the week up to March 23, 2018, according to data from the RBI.

Key Highlight

Fiscal Deficit

- Central Government is confident of achieving fiscal deficit of 3.2 per cent of GDP for 2017-18.
- The fiscal deficit during April-November 2017 has reached 112 per cent of budgeted expenditure as compared to 85.8 per cent during the corresponding period last year.
- Revenue and fiscal deficits of states as a percentage of corresponding budget estimates is lower in the current year as compared to the previous year.

GDP Growth

- GDP growth expected to be between 6.5 and 6.75 per cent in 2017-18.
- Real GDP growth expected at 6.5 per cent in 2017-18
- GVA growth at basic prices is expected to be 6.1 per cent in 2017-18

Inflation and monetary policy:

- Average retail inflation, measured by Consumer Price Index (CPI), in 2017-18 (April – December) seen at 3.3 per cent.
- Average Wholesale Price Index (WPI) inflation, in 2017-18 (April – December) seen at 2.9 per cent from 1.7 per cent in 2016-17.
- The Reserve Bank of India (RBI) has cut the repo rate by 25 basis points to 6.0 per cent in August 2017

Road Ahead

India's gross domestic product (GDP) is expected to reach US\$ 6 trillion by FY27 and achieve upper-middle income status on the back of digitisation, globalisation, favourable demographics, and reform.

India is also focusing on renewable sources to generate energy. It is planning to achieve 40 per cent of its energy from non-fossil sources by 2030 which is currently 30 per cent and also have plans to increase its renewable energy capacity from 57 GW to 175 GW by 2022.

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

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

Cold Storage;

Cold Storage are meant to preserve the perishable commodities of food items for a longer period with retention of the original colour, Flavour and taste. However, each commodities or item has certain life and they cannot be stored for indefinite period. Cold storages are used for high value items or when prices crash down due to bumper crop or for such items which are grown during the season but there is a demand round the year or for products like meat, fish or milk products which are quickly perishable. They are mainly used for preservation of many food products since long. Their location has to be strategic and they should have easy access. Cold storages have demand all over the country.

Cold storage facilities, essentially refrigerated warehouses, can reduce agricultural price volatility, helping to minimize food waste and increase income for various supply chain stakeholders. The benefits of cold storage are simple: most types of produce have shelf lives ranging from just a few days to a couple weeks when kept at room temperature. Farmers and traders are forced to quickly get their produce to consumers, even if there's too much supply in the market. This can result in low prices that often don't even cover the price of production and transport. In the most extreme cases, when the market is flooded with a particular item, it makes more economic sense for farmers to just let certain crops rot in the field, rather than spend the time and money to harvest them.

The use of cold storage can extend the shelf life of produce for months or longer, buying farmers and traders valuable time. Fruits and vegetables can be stored while prices are low and there's little demand, and then released into the market when prices rise again. Since this process regulates supply, it helps stabilize prices over time, which is one of the reasons produce prices in developed countries are less volatile than those in developing countries.

List of Perishable Commodities generally stored in Cold Storages:

Fruits	Vegetables
Apple	Potato
Oranges	Potato seeds
Mausami (sweet Lemon)	Potato with Lesser suger content
Graps	Green peas
Pears (nashpati)	Carrot
Lichi	Tomato
Banana	
Mangoes	

All spices (including red chillies), dry fruits, milk products (like ice cream, khoya, etc.), medicines, jaggery, meat, fish and eggs are also stored in the cold storages.

Cold Chain Infrastructure

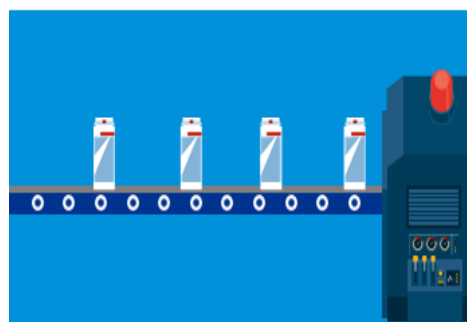
Out of the 134 Cold Chain Projects sanctioned 88 have been operationalized. 56 Cold Chain projects have been completed since June 2014, a 38% increase as compared to 29 projects completed during June 2012-May 2014. This cold chain capacity expansion benefits 500 farmers per project in fruits & vegetables and 5000 farmers per project in dairy/meat/marine.

The total capacity created in cold storage, controlled/modified atmosphere storage and deep freezer is 3.31 Lac MT based on 88 completed Cold Chain Projects since 2008, including capacity addition of 77.15 MT/hour for Individual Quick Freezing, 31.80 Lac litres/day for milk storage and 423 Reefer Carriers.

Milk processing (in LLPD) - 23.50



Individual Quick Freezing (IQF) (MT/Hr) - 55.95



Cold Storage (In Lakh MT) - 1.52



(Source: Department of Industrial Policy and Promotion, Food Processing Sector, Achievement Report August, 2016)

Cold storage industry annually grows by 12-15 per cent in bulk storage capacity. As consumer preference and habits for food ranging from vegetables, fruits and eatables, cold storage would combine to be grown. We see expansion of frozen vegetable capacity as major difference prevailed in season and off season price. E.g., bitter gourd (karela) sold in season for Rs 20 per kg, whereas in off season it went upto Rs 100 per kg.

Even today Quick Service Restaurants increase their frozen food demand and require additional cold storage capacity. Pulses, wheat, rice, spices, poultry storages are increasing day by day. This would help food industry for processing food supply even in off season. From farm to fork, agri commodity wastage and deterioration is from 10-30 per cent because of poor agricultural practices – on the part of farmers, lack of cost-effective transportation, good handling practices at cold storage and costly refrigeration infrastructure in urban area. Due to high cost of land leads to increase in quality losses. Farmers-customers market, packhouse at field and solar energy generation in remote area for preservation of perishable agri produce may reduce wastage.

(Source: Federation of Cold Storage Association of India)



SUMMARY OF OUR BUSINESS

Our company was incorporated as “Aakarshit Ice and Cold Storage Private Limited” on January 03, 1997 under the Companies Act, 1956 vide Certificate of Incorporation issued by the Registrar of Companies, Gwalior. For further details regarding the change in the name of our company, please refer to the chapter titled “*History and Certain Corporate Matters*” beginning on page 94 of this Draft Prospectus.

We are engaged in the business of cold storage and trading of agricultural commodities such as potatoes, carrot, Mahua, jaggery, etc. We had set up and made operational our cold storage unit on Indore Pithampur Bypass in Village – Sonway, Tehsil – Mhow, District Indore, Madhya Pradesh in the year 1996-97. Initially the company built 12000 MTs.capacity which was eventually increased to 22100 MTs. Total available land is 1,53,312 sq. ft. and built-up area is admeasuring approx 80,000 sq. ft. Although, we also have an ice manufacturing facility but it is made operational on the basis of substantial demand.

The local farmer or trader of agriculture produce hire our services to store their produce prior to sale. The capacity earmarked for different produce and requisite temperature as well as relative humidity is shown below:

Sr. No.	Product	Capacity (MTs)	Temp Zone	Relative Humidity
1.	Table and Seed Potato	7000	33 to 35 FH	60 to 65%
2.	Carrot	4000	33 to 35 FH	50%
3.	Mahua	5000	42 to 45 FH	50%
4.	Jaggery	3500	42 to 45 FH	50%
5.	Others	2600	42 to 45 FH	50%

However, the estimated capacity is interchangeable among Potato, Carrot, Mahua, Jaggery and others.

We believe that the need for setting up and construction of cold storage facilities is highly required for the preservation of agro commodities and the same shall be equally beneficial to both producers and consumers and shall there by strengthen the rural economy of perishable commodities. Our project envisages perfect backward and forward linkage of marketing activities as an essential pre-condition. Further, it has become a practice to provide necessary finance to hirers of the cold storage against their stocks stored in the cold storage in order to keep the price steady and allow the support price to the farmers. Providing this seasonal finance is an important factor in the growth of our business.

Our total income for the previous financial year 2017-18 is ₹ 2,546.52 lakhs and EBITDA is ₹ 314.12 lakhs.

Our Strengths

We believe that following are our competitive strengths:

Highly experienced Promoter backed by professional management team

Our Promoter - Mr. Mangal Sain Madaan has been engaged in the business of Cold Storage for around 20 years and has gathered immense knowledge of the working of this niche sector. Mr. Aakarshit Madaan who represents the young face of our company, represents a good combination of experienced and young promoter in the company. Further, our Promoters are backed by a Management team comprising of qualified and professional team having due knowledge of their respective roles in the company. We believe that our promoter and management team is capable of understanding of the industry better than new entrants and will enable us to continue to take advantage of both current and future market opportunities. It is also expected to help us in addressing and mitigating various risks inherent in our business, including significant competition, reliance on independent contractors, dealing with unorganized farming sector, the global economic crisis and fluctuations in agricultural product prices.

Locational Advantage

Our unit is based on a strategic ideal location on Indore Pithampur Bypass leads to Pithampur Industrial area which is largest Industrial Area in the State of Madhya Pradesh. As a result of green revolution, the State has witnessed



considerable growth in agriculture sector comprising of high yielding varieties of crops, seeds, chemical fertilizers, plant protection measures, irrigation, etc. Agro products, being a perishable commodities, it becomes very important to collect the produce from farmers immediately and keep it in Cold Storage. Also with the increasing infrastructure and transportation in the area, supplying the stored agro commodities to wholesalers has become quick and convenient. We believe that there is no other cold storage facility of our size and capabilities within a radius of approximately 10 kms from our site and thus it provides us with a significant competitive edge.

Favourable Government Policies for our sector

The Government of India through the Ministry of Food Processing Industries has formulated a number of policies for extending assistance in the form of grant, subsidy and soft loan to agro food processing industries. In order to give impetus to promotion of all Agro Food Processing Industries several incentives and concessions have been granted. The government has actively supported cold chain, pre and post harvest network area near the production sites. Public-Private Partnership has been encouraged to establish cold chain, pre and post harvest network infrastructures by the Madhya Pradesh Government. We believe that since our core business adds tremendous value to the supply chain of agro produce and empowers farmers/traders to be able to get good prices for their produce, this sector shall continue to get support and encouragement from the government going forward.

Relations with our Bankers and strong financial management

Finance provided by banks and other financial management remains an important source of funding. We maintain good relations with our lenders. This enables us to leverage our strategies through firm financial management.

Our Strategies

Leverage our financial management in line with trends in Cold Storage Industry

It has become a practice to provide necessary finance to hirers of the cold storage against their stocks stored in the cold storage in order to keep the price of agro products steady and allow the support price to the farmers. Providing this seasonal finance is an important factor in the growth of our business. By listing our shares and improving our governance systems we intend to prove our worthiness in equity and debt markets alike and hence be able to access large pool of funds. This would put us in a situation of advantage w.r.t our funding abilities, hence having a direct impact on competitive position for making our Storage facility the first choice for the local market constituents.

Advantages of our experience and technology

We operate in a strategic location between Indore and Pithampur. Our promoter – Mr. M.S. Madaan was able to identify this region looking to huge demand for cold storage facility. Further, having first mover advantage locally is a prime factor in our continuous business possibilities. Moreover, we have variety of chambers of different size to address customer requirement. It helps us establish local networks as well as create goodwill. It is our long term strategy to continue to identify such locations where there is a demand supply mismatch and leverage our existing technological as well as financial capabilities for generating future growth. Our facilities are constructed looking into the need of social aspect for the purpose of development rural-economy in perishable commodity sector generate self-employment as well as minimize post-harvest loss of agro produces.

Explore other avenues of revenue generation giving synergies with the existing business plan

In addition to revenue earned from rental income of storage facility, we also use part of storage capacity for our own agriculture produce. We do purchase seasonal produce from Mandi, store it and sale it when the rate improves in off-season. We further intend to utilize our domain knowledge on agricultural commodities and our existing relations with marketing networks to place strategic trades on the potato markets in our area. We believe that trading would help us improve our financial results as well as provide an added revenue stream to our business. Further, in the future the management may consider setting up additional processing facilities for its agro commodities being stored in form of forward integration.

Regular Expansion of capacities to meet growing demand



Our Cold Storage facility is in the proximity of the diversified crop production areas. It becomes very important to collect the produce from the farmers immediately and keep it in Cold Storage. Madhya Pradesh is the second largest State in India which has an agrarian economy. As a result of green revolution, the State has witnessed considerable growth in agriculture sector comprising of high yielding varieties of crops, seeds, chemical fertilizers, plant protection measures, irrigation, etc. We wish to capitalize on this opportunity by increasing our storage capacity in regular intervals, such that the increased capacity is operational before each harvesting season. Accordingly, we increase capacity of our chambers to 22,100 MTs.

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 114 of this Prospectus. The summary financial information presented below should be read in conjunction with our restated financial statements for the financial year ended 2018, 2017, 2016, 2015, and 2014 including the notes thereto and the chapter titled '*Management's Discussion and Analysis of Financial Condition and Results of Operations*' on page no 135 of this Prospectus.

Restated Statement of Assets & Liabilities as at 31st March

- (Amount in Lakhs)

	Particulars	2018	2017	2016	2015	2014
	ASSETS					
1	Non - current assets					
	(a) Property Plant and Equipment	684.95	620.78	335.69	309.73	260.31
	(b) Capital work-in-progress	-	83.54	2.46	-	74.14
	(c) Other Non-Current Assets	26.98	76.98	26.71	26.71	26.71
	(d) Deferred tax assets (net)	-	-	-	-	-
	(e) Other non-current assets	-	-	-	-	-
2	Current assets	-	-	-	-	-
	(a) Inventories	416.68	456.24	475.82	221.59	35.70
	(b) Financial assets	711.16	564.61	98.72	159.43	139.87
	(c) Other current Assets	435.56	409.41	54.59	49.86	102.15
		2,275.32	2,211.55	993.99	767.32	638.89
	EQUITY AND LIABILITIES	-	-	-	-	-
	Equity	-	-	-	-	-
	(a) Equity Share capital	101.00	101.00	101.00	101.00	101.00
	(b) Other Equity	553.98	230.26	162.47	108.81	89.02
	LIABILITIES	-	-	-	-	-
1	Non-current liabilities	-	-	-	-	-
	(a) Financial Liabilities	384.00	596.69	80.14	101.42	135.16
	(b) Deferred tax liabilities (Net)	27.06	26.68	22.98	15.52	2.40
	(c) Provision for Gratuity	13.07	12.85	10.56	9.53	7.84
2	Current liabilities	-	-	-	-	-
	(a) Financial Liabilities	1,089.46	1,149.49	515.29	344.57	265.25
	(b) Other current liabilities	62.61	55.50	73.39	73.89	32.75
	(c) Provisions	44.13	39.09	28.18	12.59	5.47
	Total Equity and Liabilities	2,275.32	2,211.55	993.99	767.32	638.89

Restated Statement of Profit & Loss Account for the year ended 31st March

(Amount in Lakhs)

	Particulars	2018	2017	2016	2015	2014
1	Revenue From Operations	2,545.56	2,516.14	1,812.80	1,000.72	459.93
2	Other Income	0.96	1.21	0.48	3.84	2.82
	Total Income	2,546.52	2,517.35	1,813.28	1,004.56	462.75
3	Expenses	-	-	-	-	-
	Purchase of Stock-in-Trade	1,990.99	2,119.41	1,739.37	922.11	254.86
	Changes in Inventories of Finished goods	39.56	19.58	(254.23)	(185.90)	4.55
	Employee benefits expense	45.51	29.26	27.68	29.55	32.88
	Finance cost	125.03	68.55	51.15	49.91	35.49
	Depreciation and amortization expense	49.61	36.03	33.34	25.22	20.58
	Other expenses	137.96	148.64	138.38	122.29	91.20
	Total Expenses	2,388.67	2,421.47	1,735.69	963.17	439.57
4	Profit/(loss) before exceptional items and tax	157.86	95.88	77.59	41.39	23.18
5	Exceptional Items	-	-	-	-	0.45
6	Profit/(loss) before tax (5-6)	157.86	95.88	77.59	41.39	22.73
7	Tax expense:	-	-	-	-	-
	-Current tax	33.75	24.39	16.47	8.48	5.82
	-Deferred tax Liability/(Assets)	0.39	3.70	7.45	13.12	(5.94)
	- Earlier year taxes	-	-	-	-	0.49
8	Profit (Loss) for the year from continuing operations (7-8)	123.72	67.78	53.67	19.79	22.35
9	Profit/(loss) from discontinued operations	-	-	-	-	-
10	Tax expense of discontinued operations	-	-	-	-	-
11	Profit/(loss) from discontinued operations (after tax) (10-11)	-	-	-	-	-
12	Profit/(loss) for the year (9+12)	123.72	67.78	53.67	19.79	22.35
13	Earnings per equity share (for continuing operation):					
	(i) Basic	12.25	6.71	5.31	1.96	2.21
	(ii) Diluted	12.25	6.71	5.31	1.96	2.21

Notes:

- The above statement should be read with the accounting policies as appearing in Annexure IV.
- During the year the company has splitted its 1,00,995 equity shares of ₹ 100/- each, into 10,09,950 equity shares of ₹ 10/- each. To make it comparative earlier years EPS has also been calculated considering 10,09,950 number of equity shares.

Restated Cash Flow Statement

(Amount in Lakhs)

Particulars	For the Financial year ended on 31st March				
	2018	2017	2016	2015	2014
Cash Flow From Operating Activities :	157.86	95.88	77.59	41.39	22.73
Net Profit before tax and extraordinary item	-	-	-	-	-
Adjustments for :	-	-	-	-	-
Depreciation and amortization expenses	49.61	36.03	33.34	25.22	20.58
Finance Cost	125.03	68.55	51.15	49.91	35.49
Other Non-Operating (Receipts)/Payments	-	1.77	-	(0.09)	-
Interest Received	(0.91)	(1.17)	(0.48)	(3.65)	(2.61)
Operating Profit before Changes in Operating Assets & Liabilities	331.59	201.07	161.60	112.77	76.19
Adjustments for :					
Inventories	39.56	19.58	(254.23)	(185.90)	4.55
Trade Receivables	(339.47)	(221.74)	36.36	(105.48)	(1.49)
Other Current Assets	(28.18)	(359.96)	(4.53)	86.65	(5.62)
Other Non-current assets	50.00	(50.27)	-	-	(26.71)
Trade Payables	71.67	180.01	98.70	82.82	18.82
Other Current Liabilities	7.11	(17.89)	(0.50)	41.14	(0.57)
Short Term Provisions	5.04	10.91	15.59	7.12	(0.41)
Long Term Provisions	0.22	2.30	1.02	1.70	7.84
Changes in Operating Assets & Liabilities	(194.04)	(437.05)	(107.59)	(71.95)	(3.58)
Cash Flow from Extra-Ordinary Items	-	-	-	-	-
Cash generated from Operations	137.55	(235.98)	54.01	40.82	72.61
Taxes Paid/(refund)	33.75	24.39	16.47	8.48	6.32
Net Cash from Operating Activities	103.80	(260.37)	37.54	32.34	66.29
Cash Flow From Investing Activities :					
Changes In Capital work in progress	83.54	(81.07)	(2.46)	74.14	(20.61)
Fixed Assets Purchased (Net)	(113.78)	(329.15)	(59.30)	(77.94)	(40.69)
Fixed assets sold	-	6.26	-	3.40	-
Interest Received	0.91	1.17	0.48	3.65	2.61
Net Cash from Investing Activities	(29.34)	(402.80)	(61.28)	3.25	(58.69)
Cash Flow From Financing Activities :					
Proceeds from Issue of Shares	-	-	-	-	-
Proceeds from Short Term Borrowings	(131.70)	454.19	72.03	(3.51)	(45.07)
Proceeds from Long Term Borrowings	(12.68)	516.55	(21.28)	(33.74)	79.48
Finance Cost	(125.03)	(68.55)	(51.15)	(49.91)	(35.49)
Net Cash from Financing Activities	(269.41)	902.19	(0.40)	(87.16)	(1.08)
Net Increase/ (Decrease) in Cash & Cash Equivalents	(194.95)	239.02	(24.14)	(51.56)	6.51
Cash & Cash Equivalents at the beginning of the year	248.41	9.39	33.53	85.10	78.58
Cash & Cash Equivalents at the end of the year	53.45	248.41	9.39	33.53	85.10



THE ISSUE

Particulars	No of Equity Shares
Equity Shares Offered [#]	25,00,000 Equity Shares of face value of ₹10 each fully paid of the Company for cash at price of ₹[•] per Equity Share aggregating ₹[•]
<i>Fresh Issue consisting of:</i>	
Issue Reserved for Market Maker	1,40,000 Equity Shares of face value of ₹10 each fully paid of the Company for cash at price of ₹ [•] per Equity Share aggregating ₹[•]
Net Issue to Public	23,60,000 Equity Shares of face value of ₹10 each at a price of ₹[•] per Equity Share to the Public
	<i>of which:</i>
	11,80,000 Equity Shares of face value of ₹10 each at a price of ₹ per Equity Share to the Retail Portion
	11,80,000 Equity Shares of face value of ₹10 each at a price of ₹ per Equity Share to the Non-Retail Portion
Equity Shares outstanding prior to the Issue	30,29,850 Equity Shares
Equity Shares outstanding after the Issue	55,29,850 Equity Shares
Objects of the Issue	Please refer chapter ' <i>Objects of the Issue</i> ' on page no 59 of this Prospectus

[#]Public issue of 25,00,000 Equity Shares face value of ₹10 each for cash at a price of ₹ [•] per Equity Share of our Company aggregating to ₹[•] 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 164 of this Prospectus.

The Issue has been authorized by our Board pursuant to a resolution dated August 06, 2018 and by our Equity Shareholders pursuant to a resolution passed at the Extraordinary General Meeting held on August 16, 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 'Aakarshit Ice and Cold Storage Private Limited' on January 03, 1997 with the Registrar of Companies, Gwalior as a Private Limited company under the provisions of the Companies Act, 1956. Subsequently our Company was converted into a Public Limited Company and the name of our Company was changed to 'Aakarshit Ice and Cold Storage Limited'. A fresh certificate of incorporation consequent upon conversion to public limited Company was issued by the Registrar of Companies, Gwalior on July 16, 2018. For further details of our Company, please refer to "General Information" and "History and Certain Other Corporate Matter" on page no 41 and 94, respectively, of this Prospectus.

Registered Office

Chetak Arch-7, MG Road, Indore, M.P. -452001

Board of Directors

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

Sr. No.	Name	Designation	DIN	Address
1.	Mangal Sain Madaan	Managing Director	00082994	192 B.G. Scheme No. 74, Sector –C Near Ashish Nursing Home, Vijay Nagar, Indore- 452 010
2.	Aakarshit Madaan	Executive Director	03386001	192 B.G. Scheme No. 74, Sector –C Near Ashish Nursing Home, Vijay Nagar, Indore- 452 010
3.	Sobhag Shambhu Singh	Non-Executive Independent Director	07223525	401, Park Road, Suraj Kothi, Indore – 452 003
4.	Ruchi Sogani	Non-Executive Independent Director	02805170	20/3, White Church Colony, Indore – 452 001
5.	Vijay Singh Bharaktiya	Additional Independent Director	00017285	414-A Mahalaxmi Nagar, Indore – 452 010

For further details of Management of our Company, please refer to section titled "Our Management" beginning on page no 97 of this Prospectus.

Registrar of Companies

Name : Registrar Of Companies, Gwalior
Address : 3rd Floor, 'A' Block, Sanjay Complex, Jayendra Ganj, Gwalior
Tel No. : 0751-2321907
E-Mail ID : roc.gwalior@mca.gov.in
Website : www.mca.gov.in

Company Secretary & Compliance Officer

Name : Mr. Ruchi Barche
Address : Chetak Arch 7, M.G. Road, Indore- 452 001, Madhya Pradesh
Tel No. : 09893672161
E-Mail ID : cs@aarshiticeandcoldstorage.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 : Santosh Kumar Binake
Address : Chetak Arch 7, M.G. Road, Indore- 452 001, Madhya Pradesh
Tel No. : 09584493787
E-Mail ID : cfo@akarshitiiceandcoldstorage.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
E-Mail ID : smeipo@markcorporatedvisors.com
SEBI Reg. No. : INM000012128
Investor Grievance E-Mail ID : investorgrievance@markcorporateadvisors.com
Website : www.markcorporateadvisors.com

Designated Intermediaries

Registrar & Share Transfer Agent

Name : Bigshare Services Private Limited
SEBI Regn No. : INR000001385
Address : 1st Floor, Bharat Tin Works Building, opp. Vasant Oasis, Makhwana Road, Marol, Andheri (E), Mumbai – 400 059
Contact Person : Mr. Ashok S Shetty
Tel No. : +91 22 2847 0652/4043 0200
E-Mail ID : ipo@bigshareonline.com
Website : www.bigshareonline.com

Statutory Auditor and Peer Review Auditor

Name : P. K. Shishodiya & Co.
Address : 206-Airen Heights, Opp. C-21 Mall, A.B. Road, Indore – 452 010
Tel No. : 0731 2555 022



E-Mail ID : pkshishodiya@gmail.com

Legal Advisor to the Issue

Name : LawCept Partners, Advocates & Solicitors
Address : Level 5, Nirlon House, Annie Besant Road, Worli, Mumbai-400 030
Contact Person : Ms. Afshan Ahmedbhoy
Tel No. : +91 22 24947613
E-Mail ID : afshan@lawcept.com

Bankers to the Company

Name of the Bank : Punjab National Bank
Address : [•]
Contact Name : [•]
Contact 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

Bidders can submit Bid cum Application Forms in the Issue using the stock broker network of the Stock Exchanges, i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the National Stock Exchange of India Ltd., as updated from time to time. In relation to ASBA Bids submitted to the Registered Brokers at the Broker Centres, the list of branches of the SCSBs at the Broker Centres named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Registered Brokers will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

Registrar and Share Transfer Agents

The list of the RTAs eligible to accept Bid cum Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of Stock Exchange at NSE Ltd. as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept Bid cum Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of Stock Exchange at NSE Ltd., as updated from time to time. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Designated Intermediaries will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

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 Prospectus, our Company has not obtained any other expert opinion.

UNDERWRITING

This Issue is 100% Underwritten. The Underwriting Agreement is dated [•] 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
Mark Corporate Advisors Private Limited 404/1, The Summit Business Bay, Sant Janabai Road (Service Lane), Off W. E. Highway, Vile Parle (East), Mumbai-400 057	[•]	[•]	[•]
[•]	[•]	[•]	[•]
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 [•] 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 NSE 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 for SME segment 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 1,60,000 Equity Shares to be allotted under this Issue.) Any Equity Shares allotted to Market Maker under this Issue over and above 1,60,000 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, Sparkle Securities Solutions 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) NSE SME will have all margins which are applicable on the NSE 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 SME 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 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		
	Equity Shares of face value of ₹10 each	555.00	
B.	ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL		
	30,29,850 fully paid up Equity Shares of face value of ₹10 each	302.99	
C.	PRESENT ISSUE IN TERMS OF PROSPECTUS*		
	25,00,000 Equity Shares of face value of ₹10 each at a price of ₹[•] per Equity Share	250.00	[•]
	<i>Which comprises of:</i>		
	1,40,000 Equity Shares of face value of ₹10 each at a price of ₹[•] per Equity Share reserved as Market Maker portion	14.00	[•]
	Net Issue to Public of 23,60,000 Equity Shares of face value of ₹10 each at a price of ₹[•] per Equity Share to the Public	236.00	[•]
	Of which:		
	Retail Portion: 11,80,000 Equity Shares of face value of ₹10 each at a price of ₹[•] per Equity Share will be available for allocation to Investors up to ₹2.00 Lakhs	118.00	[•]
	Non- Retail Portion: 11,80,000 Equity Shares of face value of ₹10 each at a price of ₹[•] per Equity Share will be available for allocation to Investors above ₹2.00 Lakhs	118.00	[•]
D.	ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL AFTER THE ISSUE		
	55,29,850 Equity Shares of face value of ₹10 each	552.99	
E.	SECURITIES PREMIUM ACCOUNT		
	Before the Issue		0.64
	After the Issue		[•]

*The Issue has been authorized pursuant to a resolution of our Board under section 179(3)(c) & 62(1)(c) dated August 6, 2018 and a Special Resolution passed under Section 23 and Section 62(1)(c) of the Companies Act, 2013 at an AGM of our shareholders held on August 16, 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 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)	₹ 5,00,000 (5,000 Equity Shares of ₹ 100 each)		On Incorporation	-
2)	₹ 5,00,000 (5,000 Equity Shares of ₹ 100 each)	₹ 50,00,000 (50,000 Equity Shares of ₹ 100 each)	August 01, 1997	**
3)	₹ 50,00,000 (50,000 Equity Shares of ₹ 100 each)	₹ 75,00,000 (75,000 Equity Shares of ₹ 100 each)	May 05, 1998	**
4)	₹ 75,00,000 (75,000 Equity	₹ 1,00,00,000 (1,00,000	March 21, 2000	**



Sr. No.	Particulars of Change		Date of Shareholders Meeting	AGM/EGM
	From	To		
	Shares of ₹ 100 each)	Equity Shares of ₹ 100 each		
5)	₹ 1,00,00,000 (1,00,000 Equity Shares of ₹ 100 each	₹ 1, 10,00,000 (1,10,000 Equity Shares of ₹ 100 each)	March 25, 2013	EGM
6)	₹ 1, 10,00,000 (1,10,000 Equity Shares of ₹ 100 each)	₹ 5,55,00,000 (55,50,000 Equity Shares of ₹ 10 each)	May 08, 2018	EGM

* Pursuant to an EGM dated May 08, 2018 , Equity Shares of ₹11,00,000 each is divided in Equity Shares of ₹100 each and therefore our resultant Authorized Capital is consisting of 1,10,00,000 Equity Shares of ₹10 each.

** Since Company has increased its Authorized Share Capital in 1997, 1998 and 2000, Roc forms for increase in authorize share capital are not available with company and hence we have relied upon the search report given by M/s Mukesh Babu Shrivastava, Gwalior.

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	200	₹100	₹100	Cash	[•]	₹200	₹20000
March 21, 2000	99,800	₹100	₹100	Cash	Further Allotment	₹1,00,000	₹1,00,00,000
March 30, 2013	995	₹100	₹165	Cash	Further Allotment	₹1,00,995	₹1,00,99,500
<i>Note: Pursuant to EGM held on May 08, 2018 1,00,995 Equity Shares of Face Value of ₹₹100 each was split into 10,09,950 Equity Shares of ₹10 each.</i>							
July 12, 2018	20,19,900	₹10	Nil	Bonus Issue	Further Allotment	₹21,20,895	₹3,02,98,500

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

Sr. No.	Name of the Person	No. of Shares Allotted
1)	Mangal Sain Madaan	100
2)	Naveen Madaan	100
	TOTAL	200

(ii.) Further Allotment of 99,800 Equity Shares:

Sr. No.	Name of the Person	No. of Shares Allotted
1.)	Mr. Vijay Shankar Pandey	150
2.)	Mr. Suresh Chauhan	150
3.)	Mr. Pankaj Arora	150
4.)	Mr. Kailash Thakur	100
5.)	Mr. Suresh Singh Chauhan	100
6.)	Mr. Mahesh Kumar	150
7.)	Mr. Nand Kishore	150
8.)	Mr. Kailash Chandra Ambaram	150
9.)	Mr. Darivsingh Umraosingh	150
10.)	Mr. Swarn Jain	110
11.)	Mr. Shabarlal Jain	110
12.)	Ms. Shalini Jain	110

13.)	Mr. Sandeep Jain	110
14.)	Mr. Harsh Jain	110
15.)	Mr. Pannalal Jain	150
16.)	Mr. Gopalsingh Kesharsingh	150
17.)	Mr. Rajendra Singh and Mr. Yashwant Singh	150
18.)	Mr. Moolchand Bondersingh	150
19.)	Mr. Lalsingh Swaroop Singh	150
20.)	Mr. Mohan Onkar Singh	150
21.)	Mr. Mohan Singh Ambaram	150
22.)	Mr. Jitender Singh and Balwant Singh	150
23.)	Mr. Dinesh Singh	150
24.)	Mr. Prem Singh	150
25.)	Mr. Hariom	150
26.)	Mr. Santosh Singh	100
27.)	Mr. Udalsingh Shankar Singh	150
28.)	Mr. Babu singh Onkar singh	150
29.)	Mr. Ram singh Thakur	150
30.)	Mr. Nand Kishore	150
31.)	Mr. Pradeep Kumar	150
32.)	Mr. Mahendra Kumar	100
33.)	Mr. Yogesh Midha	450
34.)	Mr. Sandeep Parashar	850
35.)	Mr. O.P. Gaba	450
36.)	Mr. R.K. Jain	150
37.)	Mr. Rajendra Ahuja	450
38.)	Mr. Pawan Kumar Ram Swaroop	110
39.)	Mr. Subhash Kumar	110
40.)	Mr. Arun Agrawal	110
41.)	Mr. Tribuwan Jain	110
42.)	Madaan Classic Developers Private Limited	25,500
43.)	Mr. Vinod Viyogi	5,000
44.)	Mr. Ashok Madaan	19,960
45.)	Mr. Naveen Madaan	20,000
46.)	Mr. M.S. Madaan	22,150
	Total	99,800

(iii.) Further Allotment of 995 Equity Shares:

Sr. No.	Name of the Person	No. of Shares Allotted
1.)	Mr. Sandeep Parashar	515
2.)	Mr. Yogesh Midha	270
3.)	Mr. Suresh Chouhan	150
4.)	Mr. Mahendra Bhartiya	60
	TOTAL	995

(iv.) Bonus Issue of 20,19,900 Equity Shares:

Sr. No.	Name of the Person	No. of Shares Allotted
1)	Mr. Naveen Madaan	4,02,000
2)	Mr. Mangal Sain Madaan	5,45,000
3)	Mr. Shaurya Madaan	32,400
4)	Mrs. Anu Madaan	33,600
5)	Mrs. Nishitha Madaan	26,200
6)	Aakarshit Madaan	4,40,900



Sr. No.	Name of the Person	No. of Shares Allotted
7)	Madaan Classic Developers Private Limited	5,10,000
8)	Mr. Arsh Madaan	29,800
	TOTAL	20,19,900

2) Issue of Equity Shares for Consideration other than Cash

Sr. No.	Date of Allotment	No of Equity Shares	Face Value (₹)	Issue Price (₹)	Consideration	Nature of Allotment	Benefits accrued to our Company
1.)	July 12, 2018	20,19,900	₹10	N.A.	Other than Cash	Bonus Issue	Nil

3) 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 230-233 of the Companies Act, 2013.

4) 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 Prospectus.

5) Capital built-up of our Promoters:

Mr. Mangal Sain Madaan							
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	100	10	Negligible	Negligible
March 21, 2000	Cash	Allotment	22,150	100	10	0.73%	0.40%
<i>Pursuant to an AGM dated May 08, 2018 Equity Shares of ₹100 each is sub-divided in Equity Shares of ₹10 each</i>							
-	-	-	2,22,500	10	-	7.34%	4.02%
June 11, 2018	Cash	Transfer by Vinod Viyogi	50,000	10	10	1.65%	0.90%
July 12, 2018	Other than cash	Bonus issue in the ratio of 2:1	5,45,000	10	Nil	17.98%	9.85%
		Total	8,17,500			26.98%	14.78%

Mr. Aakarshit Madaan							
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
January 01, 2014	Cash	Transfer from Late Mr. Ashok Madaan	19,960	100	100	6.58%	0.36%
<i>Pursuant to an AGM dated May 08, 2018 Equity Shares of ₹100 each is sub-divided in Equity Shares of ₹10 each</i>							
-	-	-	1,99,600	10	-	6.58%	3.60%
June 11, 2018	Cash	Transfer from Sandeep	13,650	10	10	0.45%	0.25%



		Parashar					
June 11, 2018	Cash	Transfer from Yogesh Midha	7,200	10	10	0.23%	0.13%
July 12, 2018	Other than cash	Bonus Issue in the ratio of 2:1	4,40,900	10	-	14.55%	7.97%
		Total	6,61,350			21.82%	11.95%

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

Pursuant to Regulation 32 and 36 of SEBI (ICDR) Regulations an aggregate of 20.56% 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) Mr. Mangal Sain Madaan and Mr. Aakarshit Madaan have granted their consent to include such number of Equity Shares held by them as may constitute 20% of the post-issue Equity Share Capital of our Company as 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 prospectus until the completion of the lock-in period specified above. The details of such equity shares are as under:

<i>A) Mr. Mangal Sain Madaan</i>							
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	₹100	₹100	Negligible	Negligible
March 21, 2000	Cash	Allotment	22,150	₹100	₹100	0.73%	0.40%
<i>Pursuant to an AGM dated May 08, 2018 Equity Shares of ₹100 each is sub-divided in Equity Shares of ₹10 each</i>							
Inception	Cash	Subscriber to Memorandum	100	₹10	₹10	0.03%	0.01%
March 21, 2000	Cash	Allotment	22,150	₹10	₹10	7.31%	4.00%
June 11, 2018	Cash	Transfer by Vinod Vijogi	50,000	₹10	₹10	1.65%	0.90%
July 12, 2018	Other than cash	Bonus issue in the ratio of 2:1	5,45,000	₹10	Nil	17.98%	9.85%
Total (A)			8,17,500			26.98%	14.78%

<i>B) Mr. Aakarshit Madaan</i>							
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
January 01, 2014	Cash	Transfer from Late Mr. Ashok Madaan	19960	100	100	0.65%	0.36%



Pursuant to an AGM dated May 08, 2018 Equity Shares of ₹100 each is sub-divided in Equity Shares of ₹10 each							
January 01, 2014	Cash	Transfer from Late Mr. Ashok Madaan	1,99,600	10	10	6.58%	3.60%
June 11, 2018	Cash	Transfer from Sandeep Parashar	13,650	10	10	0.45%	0.25%
June 11, 2018	Cash	Transfer from Yogesh Midha	7,200	10	10	0.23%	0.13%
July 12, 2018	Other than cash	Bonus issue in the ratio of 2:1	1,00,000	10	Nil	3.30%	1.80%
Total(B)			3,20,450			10.56%	5.78%
Grand Total (A+B)			11,52,547			37.54%	20.56%

We further confirm that the aforesaid minimum Promoter's Contribution of **20.56 %** 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.
- Equity shares issued to our Promoters on conversion of partnership firm into Private limited company 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.

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.

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

In addition to minimum **20.56%** 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.



8) 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:

Category (I)	Category of Shareholder (II)	No. of Shareholders. (III)	No of fully paid up equity shares held. (IV)	No of partly paid up equity shares held. (V)	No. of shares underlying Depository Receipts (VI)	Total No of Shares held (VII = IV + V + VI)	Shareholding as a % of total No. of Shares (calculated as per SCRR,1957 (As a % of (A + B + C2) (VIII)	Number of Voting Rights held in each Class of securities (IX)		No of underlying outstanding convertible securities (incl. Warrants) (X)	Shareholding as a % assuming full convertible securities (as a % of diluted share capital (As a % of (A + B + C2) (XI=VII +X)	Number of Locked in shares (XII)		No. of shares Pledged Or Otherwise Encumbered (XIII)		No. of Equity shares held in De-mat Form (XIV)
								Nos of voting Rights	Total as % of (A+B+C)			No's of shares held (a)	As % of total number of shares held(b)	No's of shares held (a)	As % of total number of shares held (b)	
A	Promoter and Promoter Group	8	30,29,850	0	0	30,29,850	100.00%	30,29,850	30,29,850	0	100%	0	0	0	0	32,29,850
B	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C	Non- Promoter Non-Public															-
C 1	Shares Underlying DRs															-
C 2	Shares held by Employee Trusts															-
	Total	8	30,29,850	0	0	30,29,850	100.00%	30,29,850	30,29,850	0	100%	0	0	0	0	32,29,850

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)	Mangal Sain Madaan	8,17,500	26.98%	8,17,500	14.78%	Nil	Nil	N. A.
2)	Aakarshit Madaan	6,61,350	21.83%	6,61,350	11.95%	Nil	Nil	N. A.
	Promoter Group:							
3)	Naveen Madaan	6,03,000	19.90%	6,03,000	10.90%	Nil	Nil	N. A.
4)	Shaurya Madaan	48,600	1.60%	48,600	0.87%	Nil	Nil	N. A.
5)	Anu Madaan	50,400	1.66%	50,400	0.91%	Nil	Nil	N. A.
6)	Nishtha Madaan	39,300	1.30%	39,300	0.71%	Nil	Nil	N. A.
7)	Madaan Classic Developers Private limited	7,65,000	25.25%	7,65,000	13.83%	Nil	Nil	N. A.
8)	Arsh Madaan	44,700	1.48%	44,700	0.80%	Nil	Nil	N. A.
	Total	30,29,850	100.00%	30,29,850	54.75%	Nil	Nil	N. A.

C. Except as mentioned below, there was no share purchased/sold by the promoters/promoter group, Directors and their immediate relatives during last six months.

Date of Transfer	Name of the Transferor	Name of the Transferee	No. of Shares	Consideration (in ₹)
June 11, 2018	Mr. Vinod Viyogi	Mr. Mangal Sain Madaan	50,000	5,00,000
June 11, 2018	Mr. Sandeep Parashar	Mr. Aakarshit Madaan	13,650	136500
June 11, 2018	Mr. Yogesh Midha	Mr. Aakarshit Madaan	7200	72000
June 11, 2018	Mr. Dariav Singh	Mr. Shaurya Madaan	1500	15000
June 11, 2018	Mr. Kailash Chandra	Mr. Shaurya Madaan	1500	15000
June 11, 2018	Mr. Nand Kishore	Mr. Shaurya Madaan	1500	15000
June 11, 2018	Mr. Mahesh Kumar	Mr. Shaurya Madaan	1500	15000
June 11, 2018	Mr. Pankaj Arora	Mr. Shaurya Madaan	1500	15000
June 11, 2018	Mr. Vijay Shankar Pandey	Mr. Shaurya Madaan	1500	15000
June 11, 2018	Mr. Kailash Thakur	Mr. Shaurya Madaan	1000	10000
June 11, 2018	Mr. Suresh Chouhan	Mr. Shaurya Madaan	4000	40000
June 11, 2018	Mr. Swarn Jain	Mr. Shaurya Madaan	1100	11000
June 11, 2018	Mr. Shabar Lal Jain	Mr. Shaurya Madaan	1100	11000

9) 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 ₹)
3)	Mangal Sain Madaan	8,17,500	3.33
4)	Aakarshit Madaan	6,61,350	3.33

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



11) Equity Shares held by top ten shareholders

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

Sr. No.	Name of shareholder	No. of Shares	% age of pre-Issue capital
1)	Mangal Sain Madaan	817500	26.98%
2)	Madaan Classic Developers Private Limited	765000	25.25%
3)	Aakarshit Madaan	661350	21.83%
4)	Naveen Madaan	603000	19.90%
5)	Anu Madaan	50400	1.66%
6)	Shaurya Madaan	48600	1.60%
7)	Arsh Madaan	44700	1.48%
8)	Nishtha Madaan	39300	1.30%
	TOTAL	3029850	100 %

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

Sr. No.	Name of shareholder	No. of Shares	% age of pre-Issue capital
1.	Mangal Sain Madaan	817500	26.98%
2.	Madaan Classic Developing Private Limited	765000	25.25%
3.	Aakarshit Madaan	661350	21.83%
4.	Naveen Madaan	603000	19.90%
5.	Anu Madaan	50400	1.66%
6.	Shaurya Madaan	48600	1.60%
7.	Arsh Madaan	44700	1.48%
8.	Nishtha Madaan	39300	1.30%
	TOTAL	3029850	100 %

C. Our Company Top Ten Shareholders and the number of Equity Shares held by them as on Two years prior to this Prospectus are as under:

Sr. No.	Name of shareholder	No. of Shares	% age of pre-Issue capital
1)	Madaan Classic Developers Private Limited	25500	25.25%
2)	Mangal Sain Madaan	22250	22.03%
3)	Naveen Madaan	20100	19.90%
4)	Aakarshit Madaan	19960	19.76%
5)	Vinod Viyogi	5000	4.95%
6)	Sandeep Parashar	1365	1.35%
7)	Yogesh Midha	720	0.71%
8)	O. P. Gaba	450	0.44%
9)	Rajendra Ahuja	450	0.44%
10)	Suresh Chouhan	400	0.39%
	TOTAL	96195	95.22%

Note: The above mentioned Equity Shares are at Face Value of ₹ 100/-.

12) 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 Prospectus.

13) 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.



- 14) As on the date of this 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.
- 15) We have not raised any bridge loans against the proceeds of the Issue.
- 16) Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed in heading on "*Basis of Allotment*" beginning on page no 164 of this Prospectus
- 17) 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.
- 18) 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 Prospectus.
- 19) 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.
- 20) 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.
- 21) 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.
- 22) The Issue is being made through Fixed Price Method.
- 23) As on date of filing of this 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.
- 24) On the date of filing of this 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.
- 25) Our Company has not issued any Equity Shares out of revaluation reserves and not issued any bonus shares out of capitalization of revaluation reserves.
- 26) Lead Manager to the Issue viz. Mark Corporate Advisors Private Limited and its associates do not hold any Equity Shares of our Company.
- 27) Our Company has not revalued its assets since incorporation.
- 28) Our Company has not made any Public Issue of any kind or class of securities since its incorporation.
- 29) There will be only one denomination of the Equity Shares of our Company unless otherwise permitted by law.
- 30) Our Company shall comply with such disclosure, and accounting norms as may be specified by SEBI from time to time.
- 31) 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 Prospectus with Stock Exchange until the Equity Shares to be issued pursuant to the Issue have been listed.
- 32) Except as disclosed in this 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.

- 33)** 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.
- 34)** 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.
- 35)** 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.
- 36)** Our Company has Eight Shareholders as on the date of filing of this Prospectus.



OBJECTS OF THE ISSUE

The objects of the Issue are to finance our Working Capital Requirement and achieve the benefits of listing on the SME platform of NSE. 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 the Working Capital Requirements
- 2.) General Corporate Purposes

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 details of the proceeds of the Issue are summarized in the table below:

Requirements of Funds:

The Funds required are proposed to be used in accordance with the details provided in the following table:

(₹ in Lakhs)

Sr. No.	Particulars	Amount
1)	To meet the Working Capital Requirements	534.00
2)	General Corporate Purposes	[•]
	TOTAL	[•]

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	[•]
	<u>Less:</u> Issue Expenses	[•]
	Net Proceeds from the Issue	[•]

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 14 of the draft Prospectus.

Details of Utilization of Gross Proceeds from the Issue:

The details of utilization are set forth herein below:

1.) To meet the Working Capital Requirements:

Particulars	Holding period in days	March 31, 2018	Holding period in days	March 31, 2019
		Audited		Estimated
Current Assets				
Inventories	76	416.68	90	648.00
Trade Receivables	98	649.93	100	762.00
Other Current Assets		422.77		425.00
Advance to Suppliers of Raw Materials		7.78		150.00
Cash and cash equivalent		53.45		45.00
Total Current Assets (A)		1550.00		2030.00
Current Liabilities				
Trade Payables	84	457.27	68	496.00
Other Current Liabilities and Short Term Provisions		106.74		30.00
Installation of Term Loan due within 1 year		113.56		98.00
Total Current Liabilities (B)		677.57		624.00
Net Working Capital Gap (A-B)		872.43		1406.00
Incremental Working Capital Gap				534.00

2.) General Corporate Purposes

Our Company proposes to deploy the balance Net Proceeds aggregating to [•] 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 utilise Net Proceeds include 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 Net Proceeds towards other expenditure (in the ordinary course of business) considered expedient and as approved periodically by the Board or a duly constituted committee thereof. Our Company's management, in accordance with the policies of the Board, shall have flexibility in utilizing surplus amounts, if any

3.) Issue Expenses

The total expenses of the Issue are estimated to be approximately ₹[•] 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 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:

Particulars	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	[•]	[•]	[•]

Selling commission payable to registered broker, SCSBs, RTAs, CDPs on the portion directly procured from Retail Individual Applicants and Non-Institutional Applicants, would be 0.05% 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 2019	Total
1.)	To meet Working Capital Requirements	-	534.00	534.00
2.)	General Corporate Purposes	-	[•]	[•]
Gross Total		-	[•]	[•]

Details of funds already Deployed till date and Sources of Funds deployed

The Funds deployed upto September 15, 2018 is ₹ 1.76 Lakhs pursuant to the objects of this Issue as certified by the auditor of the Company, P.K. Shishodiya & Co., Chartered Accountants vide certificate dated September 17, 2018. The said amount has been met by the Company from its resources and the same will be adjusted against the issue proceeds.

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.

Monitoring Utilization of Funds

As the Net Proceeds of the Issue will be less than ₹10,000 Lakh, under the SEBI (ICDR) Regulations it is not mandatory for us to appoint a monitoring agency. The Audit committee & the Board of Directors of our Company will monitor the utilization of funds raised through this public issue. Pursuant to Regulation 32 of SEBI Listing Regulation 2015, our Company shall on half-yearly basis disclose to the Audit Committee the Applications of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in the Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full. The statement of funds utilized will be certified by the Statutory Auditors of our Company. No part of the Issue Proceeds will be paid by our Company as consideration to our Promoter, our Directors, Key Management Personnel or companies promoted by the Promoter, except as may be required in the usual course of business.

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.

**Appraising Entity**

None of the objects of the Issue for which the Net Proceeds will be utilized have been appraised.

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.

Interim Use of Funds

The management, in accordance with the approval of the Board of Directors, will have the flexibility in deploying the Issue Proceeds. Pending utilization for the purposes described above, we intend to invest the Issue Proceeds in interest/dividend bearing liquid instruments including money market mutual funds and deposits with banks for the necessary duration. Such investments would be in accordance with all applicable laws and investment policies approved by our Board from time to time. Our Company confirms that pending utilization of the Issue Proceeds; it shall not use the funds for any investments in the equity markets.



BASIC TERMS OF THE ISSUE

The Equity Shares, now being issued, are subject to the terms and conditions of this 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 August 06, 2018 and by the Shareholders of our Company pursuant to a special resolution dated August 16, 2018 passed at the AGM of Shareholders under Section 62 (1)(c) of the Companies Act, 2013.

Face Value	:	Equity Share shall have the face value of ₹ 10 each
Issue Price	:	Equity Share is being issued at a price of ₹ each and is at [•] times of Face Value
Market Lot & Trading Lot	:	The Market lot and Trading lot for the Equity Share is 4000 and the multiple of 4000, subject to a minimum allotment of 4000 Equity Shares to the successful applicants.
Terms of Payment	:	100% of the issue price of ₹ [•] each shall be payable on Application. For more details please refer “ <i>Issue Procedure</i> ” on page no 172 of this 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 [•] of this 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 164 of this Prospectus.



BASIS FOR ISSUE PRICE

The Issue Price of ₹[•] 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 ₹ [•] per Equity Share i.e. [•] 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) Stringent quality control
- 3) Leveraging the experience of our Promoters
- 4) Experienced management team and a motivated and efficient work force
- 5) Scalable Business Model

For further details, refer sections entitled “Risk Factors”, “Our Business”, and “Financial Statements” on page nos.14, 76 and 114 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 2017-2018, 2016-2017 and 2015-2016 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):

As per Restated Financial Statement

Year Ended	Basic and Diluted EPS	Basic and Diluted EPS (in ₹) (Post Bonus)	Weight
March 31, 2016	5.31	5.31	1
March 31, 2017	6.71	6.71	2
March 31, 2018	12.25	4.08	3
Weighted Average	9.24	5.16	6

Note:

- (i) Basic EPS (₹) has been calculated by dividing the Net Profit as restated by Restated Weighted Average number of Equity Shares outstanding during the year.
- (ii) 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.
- (iii) The face value of each Equity Share is ₹10
- (iv) Our company has made allotment of 20,19,900 Bonus Equity Shares, in the ratio of 2 Equity Shares for every one Equity Shares held to our shareholders on July 12, 2018 by capitalizing a sum of ₹ 201.99 Lakhs standing to the credit of Surplus in Profit and Loss Account.

- 2) Karnimata Cold Storage Limited is the only listed entity comparable to our company. Hence the industry P/E, Highest, Lowest and Average P/E is not applicable. However P/E of Karnimata Cold Storage Limited as on 13.85

3) Return on Net worth (RoNW) for the preceding three years:

Year Ended	RoNW (%)	Weight
March 31, 2018	22.29%	1
March 31, 2017	20.46%	2
March 31, 2016	20.37%	3



Weighted Average	20.72%	6
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Note:

- (i) 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) Net Asset Value (NAV):

Particulars	Amount (₹)
Net Asset Value per Equity Share as of March 31, 2018	54.95
Net Asset Value per Equity Share after the issue of Bonus Shares	18.32
Net Asset Value per Equity Share after the Issue	[•]
Issue Price per equity share	[•]

Note: NAV per Equity Share has been calculated as Net Worth as divided by number of Equity Shares.

5) Comparison with other Listed Companies/Industry Peers:

Companies	Face Value (₹)	EPS (₹) (as on March 31, 2018)	P/E Ratio
Karnimata Cold Storage Limited	10	0.65	13.84
Aakarshit Ice and Cold Storage Limited	10	12.25	[•]

*(Source: Audited Financial Results for the year ending March 31, 2018 as available on BSE Limited and for calculating P/E ratio and Market Price, September, 14 2018 is considered)

Note:

- (i) The figures of Our Company are based on the restated Standalone financial statements for the Financial Year ended March 31, 2018.
- (ii) The figures for the Peer group are based on Standalone Audited Results for the Financial Year ended March 31, 2018.
- 6) The Company in consultation with the Lead Manager believes that the issue price of ₹ [•] 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 14 of this Prospectus and Financials of the company as set out in the “Financial Statements” beginning on page no 14 of this 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 [•] times of the face value i.e. ₹ 10 per Equity Share.



STATEMENT OF TAX BENEFITS

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

To,
The Board of Directors,
AAKARSHIT ICE AND COLD STORAGE LIMITED
F-1 Chetak Arch, 7-M G road, Indore M.P. 452 001

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

We refer to proposed issue of the shares of AAKARSHIT ICE AND COLD STORAGE LIMITED ('the Company'). We enclose herewith the statement showing the possible tax benefits available to the Company and the shareholders of the Company under the Income - Tax Act, 1961 ('Act'), as applicable to the assessment year 2018-19 relevant to the financial year 2017- 18 for inclusion in the Prospectus ("Offer Document") for the proposed issue of shares.

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Income-tax Act 1961. Hence, the ability of the Company or its shareholders to derive these direct tax benefits is dependent upon their fulfilling such conditions, which is based on the business imperatives, the company or its shareholders may or may not choose to fulfill.

The benefits discussed in the enclosed statement are neither exhaustive nor conclusive. The contents stated in the Annexure are based on the information and explanations obtained from the Company. This statement is only intended to provide general information to guide 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 their own tax consultant with respect to specific tax implications arising out of participation in the issue. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this statement.

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

- The Company or its shareholders will continue to obtain these benefits in future;
- The conditions prescribed for availing the benefits, where applicable have been/would be met;
- The revenue authorizes/courts will concur with the views expressed herein.

For PK Shishodiya & Company
Chartered Accountants

CA PK Shishodiya
M. No. 036015
F.R.N. 03233C
Place: Indore
Date: 30.07.2018



**ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO
AAKARSHIT ICE AND COLD STORAGE LIMITED ("THE COMPANY") AND ITS
SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA**

Outlined below are the possible Special tax benefits available to the Company and its shareholders under the direct tax laws in force in India. These benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Company or its shareholders to derive the special tax benefits is dependent upon fulfilling such conditions, which based on business imperatives it faces in the future, it may not choose to fulfill.

1. Special Tax Benefits available to the Company

There are no Special tax benefits available to the Company.

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

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

For PK Shishodiya & Company
Chartered Accountants

CA PK Shishodiya
M. No. 036015
F.R.N. 03233C
Place: Indore
Date: 30.07.2018



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 Prospectus, including the information in the sections "Risk Factors" and "Financial Information" on pages 14 and 114 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.

Indian Economy Overview

Introduction

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organisation (CSO) and International Monetary Fund (IMF) and it is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships. India's GDP is estimated to have increased 6.6 per cent in 2017-18 and is expected to grow 7.3 per cent in 2018-19.

Market Size

India's gross domestic product (GDP) at constant prices grew by 7.2 per cent in September-December 2017 quarter as per the Central Statistics Organisation (CSO). Corporate earnings in India are expected to grow by 15-20 per cent in FY 2018-19 supported by recovery in capital expenditure, according to JM Financial.

The tax collection figures between April 2017-February 2018 show an increase in net direct taxes by 19.5 per cent year-on-year and an increase in net direct taxes by 22.2 per cent year-on-year.

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

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

India's foreign exchange reserves were US\$ 422.53 billion in the week up to March 23, 2018, according to data from the RBI.

Key Highlight

Fiscal Deficit

- Central Government is confident of achieving fiscal deficit of 3.2 per cent of GDP for 2017-18.
- The fiscal deficit during April-November 2017 has reached 112 per cent of budgeted expenditure as compared to 85.8 per cent during the corresponding period last year.
- Revenue and fiscal deficits of states as a percentage of corresponding budget estimates is lower in the current year as compared to the previous year.

GDP Growth

- GDP growth expected to be between 6.5 and 6.75 per cent in 2017-18.
- Real GDP growth expected at 6.5 per cent in 2017-18
- GVA growth at basic prices is expected to be 6.1 per cent in 2017-18

Inflation and monetary policy:

- Average retail inflation, measured by Consumer Price Index (CPI), in 2017-18 (April – December) seen at 3.3 per cent.
- Average Wholesale Price Index (WPI) inflation, in 2017-18 (April – December) seen at 2.9 per cent from 1.7 per cent in 2016-17.
- The Reserve Bank of India (RBI) has cut the repo rate by 25 basis points to 6.0 per cent in August 2017

Road Ahead

India's gross domestic product (GDP) is expected to reach US\$ 6 trillion by FY27 and achieve upper-middle income status on the back of digitisation, globalisation, favourable demographics, and reform.

India is also focusing on renewable sources to generate energy. It is planning to achieve 40 per cent of its energy from non-fossil sources by 2030 which is currently 30 per cent and also have plans to increase its renewable energy capacity from 57 GW to 175 GW by 2022.

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

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

Cold Storage;

Cold storage are meant to preserve the perishable commodities of food items for a longer period with retention of the original colour, Flavour and taste. However, each commodities or item has certain life and they cannot be stored for indefinite period. Cold storages are used for high value items or when prices crash down due to bumper crop or for such items which are grown during the season but there is a demand round the year or for products like meat, fish or milk products which are quickly perishable. They are mainly used for preservation of many food products since long. Their location has to be strategic and they should have easy access. Cold storages have demand all over the country.

Cold storage facilities, essentially refrigerated warehouses, can reduce agricultural price volatility, helping to minimize food waste and increase income for various supply chain stakeholders. The benefits of cold storage are simple: most types of produce have shelf lives ranging from just a few days to a couple weeks when kept at room temperature. Farmers and traders are forced to quickly get their produce to consumers, even if there's too much supply in the market. This can result in low prices that often don't even cover the price of production and transport.

In the most extreme cases, when the market is flooded with a particular item, it makes more economic sense for farmers to just let certain crops rot in the field, rather than spend the time and money to harvest them.

The use of cold storage can extend the shelf life of produce for months or longer, buying farmers and traders valuable time. Fruits and vegetables can be stored while prices are low and there's little demand, and then released into the market when prices rise again. Since this process regulates supply, it helps stabilize prices over time, which is one of the reasons produce prices in developed countries are less volatile than those in developing countries.

List of Perishable Commodities generally stored in Cold Storages:

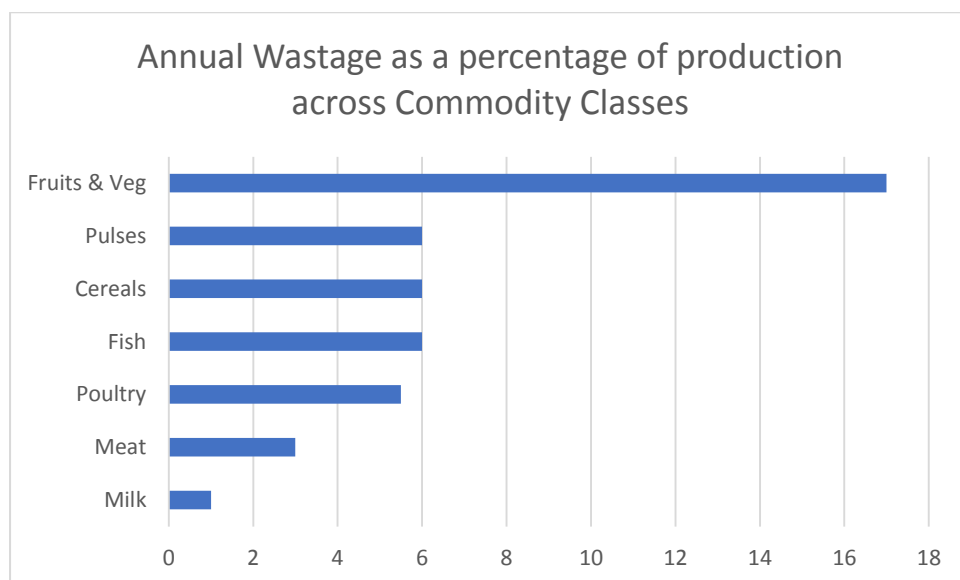
Fruits	Vegetables
Apple	Potato
Oranges	Potato seeds
Mausami (sweet Lemon)	Potato with Lesser suger content
Graps	Green peas
Pears (nashpati)	Carrot
Lichi	Tomato
Banana	
Mangoes	

All spices (including red chillies), dry fruits, milk products (like ice cream, khoya etc.), medicines, jaggery, meat, fish and eggs are also stored in the cold storages.

The Great Indian Hori-Problem

Horticulture contributes 30 per cent of the agricultural GDP even with less than 15 per cent landholding among all crops, pointing to its immense contribution to the economy and suggesting the need of priority investments. In fact, only two per cent of vegetable production and four per cent of fruit production are being processed. This is in sharp contrast to the extent of processing of fruits in several other developing countries such as Brazil (70 per cent), Malaysia (83 per cent), Philippines (78 per cent) and Thailand (30 per cent). This is, however, in stark contrast to the fact that a large population has shown relatively small consumption pattern of fruits and vegetables, which is considered an important component for fighting malnutrition and eliminating poverty (FAO). The Lancet points out that in low-income countries, including India, only 27 percent of the population could have more than one serving of fruits per day, suggesting the need of market intervention.

Of the total production of fruits and vegetables, nearly 76 per cent are consumed in fresh form. The per capita consumption of fruits and vegetables is low in India, between 149 and 152 gm a day, when the recommended consumption, according to FAO and WHO, stands at 400 gm a day. At the supply side, India productivity in vegetables is one of the least at 17.3 (tons/hectare) compared to the US (23.6), China (22.5) and Brazil (31.4) with Philippines leading the pack (37.2). India therefore faces the problem of plenty in the midst of poverty and malnutrition.



The cold chain industry is touted to bring about the second wave of Green Revolution in India (National Centre for Cold Chain Development [NCCD], 2015). A well-established cold chain industry in the country could potentially solve existing problems such as wastage and price volatility, and improve consumer access to products with better quality.

India cold chain industry regulations and cold storage policies are formulated by the Ministry of Food Processing. Meanwhile, the Ministry of Agriculture and the Ministry of Commerce and Industry are also involved in developing various initiatives related to the cold chain industry in India. Investments in cold storages are limited, with only 10 per cent of horticulture production covered. Current spending on organised warehousing in India constitutes nine per cent of total logistics spending, as against 25 per cent in the US, suggesting the low prioritisation of the sector. During the peak production period, the gap between demand and supply of cold storage capacity is approximately 25 million tones, which posits the immense strain on the existing system.

India Cold Storage Scenario – Leading India’s Second Green Revolution

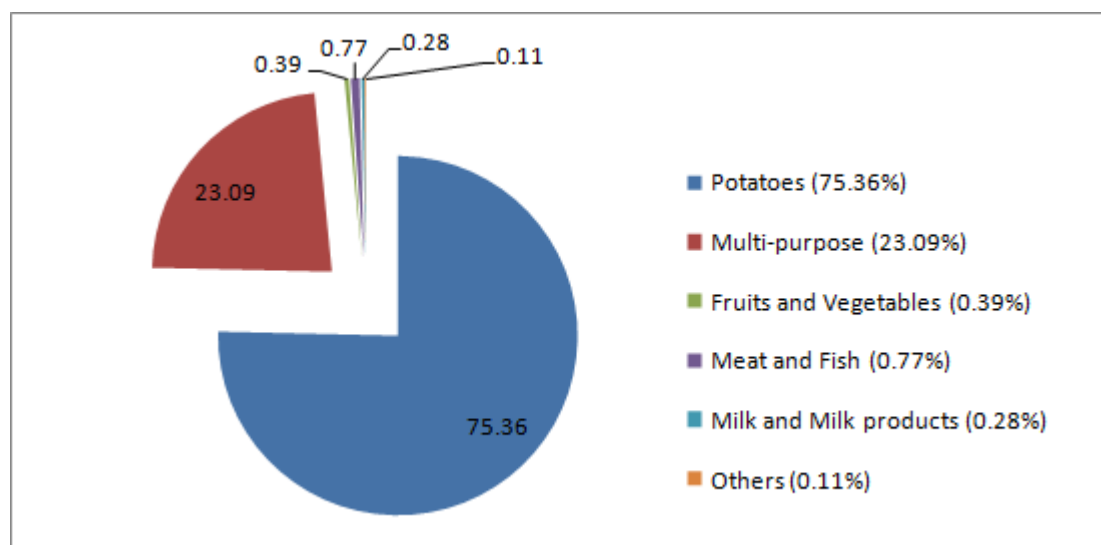
India has an estimated 7,129 cold storages with a cumulative installed capacity of 32 million MT (NCCD, 2015). About 96 per cent of the cold storages in India are privately operated. Government institutions and co-operatives run the rest. About 5,000 storages were built before 2004 and most of them are standalone cold storages without houses or any other ancillary unit. Government run-NCCD estimates that cold storages are

expected to grow by 3.57 per cent with a capacity increase of 5.19 per cent. The cold chain market of India is anticipated to grow at the Compounded Annual Growth Rate (CAGR) of 28 per cent during 2012–2017, which will make it a \$11.6 billion (₹ 6,400 crore) market.

According to industry estimates, approximately 104 million MT of perishable produce are transported between cities in India every year. Of this, about 100 million MT moves via non–reefer (non-refrigerated) mode and only 4 million MT are transported by reefer (refrigerated) method. India has not more than 10,000 actively refrigerated vehicles as estimated by NCCD. As per industry estimates, there are around 25,000 vehicles in India, taking into account the unorganised nature of the service operated by private players. It has to be noted that the number includes those reefer vans that carry milk and milk products, ice creams, chocolates and so on, which link to retail shops and retail markets. The number of vans left for carrying fruits and vegetables is considered quite low at around 15 per cent.

The Emerson Report on, The Food Wastage & Cold Storage Infrastructure Relationship in India” mentions the requirement for India to double its capacity to 61.3 million MT to minimise food wastage. Other reports have identified the lack of an integrated supply chain system concentration of cold storages in a few states and lack of emphasis on developing cold chain systems as major factors affecting the food and vegetable sector in India. Organised markets constitute only eight to 10 per cent of the entire cold chain industry. According to Ashok Gulati, leading Indian agricultural economist and former chairperson of the Commission for Agricultural Costs and Prices, the advisory body of the Government of India on food supplies and pricing policies, “The whole food supply chain need to have cold storages. Currently, there is no linkage of cold storages with distribution centres. Because of the unorganised nature of the sector, most of the players are not able to invest much to build high tonnage cold storages.”

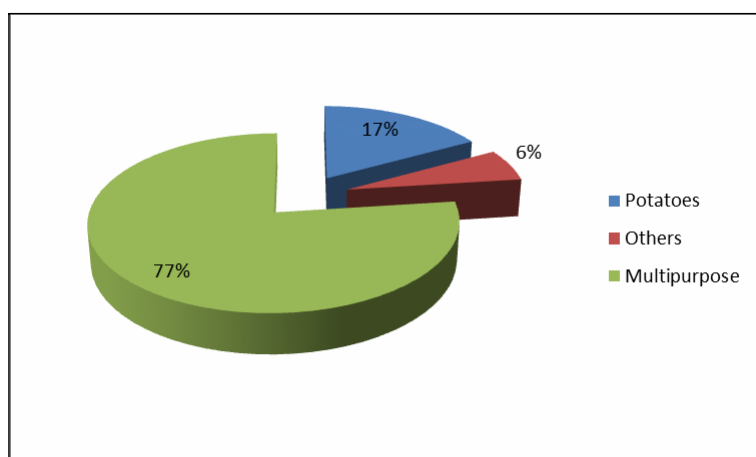
Capacity of Cold Storage based on Type of Commodity



(Source: Global Capacity Report by International Association of Refrigerated Warehouses)

As can be seen from the chart, more than one-third of the storage capacity is used for storing potatoes and a mere 0.39 per cent goes for the storage of fruits and vegetables. Of the 23.09 per cent used for multiple commodities, the share of fruits and vegetables is unknown, while the value of potatoes is found to be much smaller than those stored in multi-storage.

Value of Commodities stored (based on type) of Cold Storage in India



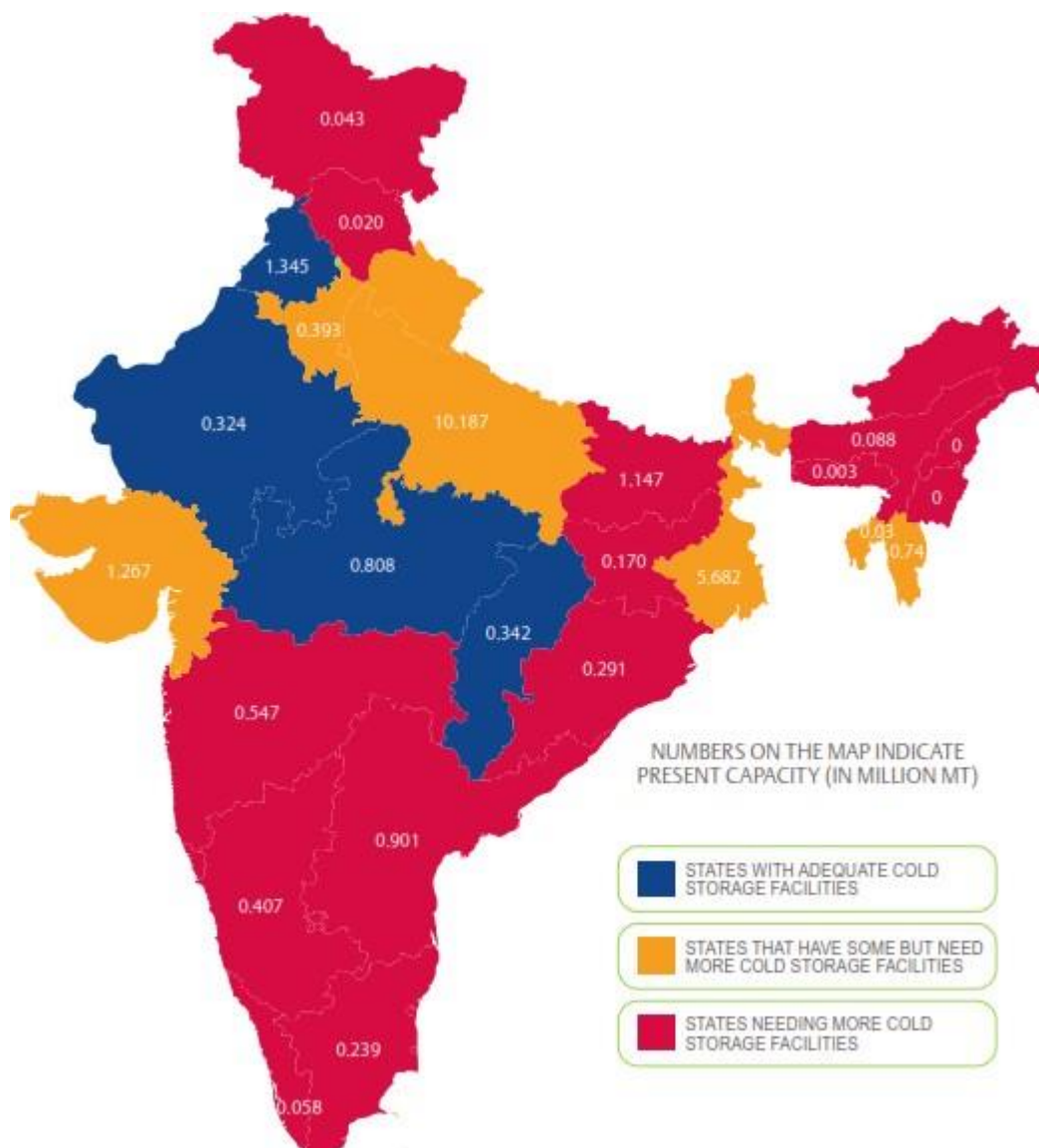
(Source: Yes Bank, Cold Chain opportunities in India, 2016)

In the present scenario, among the seasonal crops, only those fruits and vegetables that have a longer shelf life are stored (using primitive methods), due to absence of cold storages. The producers therefore have no choice but to sell their produce as soon as they harvest it, in spite of foreseeing price rise in future, owing to its seasonality.

This can be gauged from the fact that only 11 percent of what is produced in India can be stored.

In India about 60 Percent of Cold Storage located in four state – Utter Pradesh, West Bengal, Punjab and Gujrat. About 75 Percent of the Cold Storage unit in India are singly commodity storage, which store only potatoes and Potato seeds, 23 Percent are multipurpose storages and the remaining two percent store marine products, drugs and so on.

State wise Capacity of Cold Storage in India



(Source: Directorate of Marketing and Inspection, Ministry of Agriculture, GOI)

The cold storage system is poised to become a game changer for India food and agricultural industry. While ensuring access to food for all, it will play a major role in boosting India economy. Since infrastructure is still at a nascent state, cold storages could help reduce the burden on farmers and industries in transacting with other stakeholders. The apparent benefits of cold storages are so high that they could curtail inflation and reduce dependency on price sensitivity and volatility. A strong interplay of private players, markets and farmers is required for sustaining and developing the sector. Investments need to be attracted through right strategies, as the sector has a long-term effect on the health of the people and the economy of the state.

(Source: Centre for public policy Research Report)

Cold Storage Growth

India is the largest producer of milk and second largest producer of a variety of fruits and vegetables in the world. However, food is being wasted at the harvest point and during transportation. India witnesses nearly 4.6 - 15.9 % wastage in fruits and vegetables annually, due to lack of modern harvesting technologies and cold chain infrastructure. The wastage levels in other perishables are also significantly high; 5.2 % in inland fish, 10.5 % in marine fish, 2.7 % in meat and 6.7 % in poultry. To tackle this critical issue, Government is sanctioning and operationalizing more cold chain infrastructure in the country with the objective of reducing food wastage by

50% over next 2 years. In addition, by opening up the sector, the Government is keen to bring in advanced technology into the supply chain thereby combating the losses incurred during the value chain.

Cold Chain Infrastructure

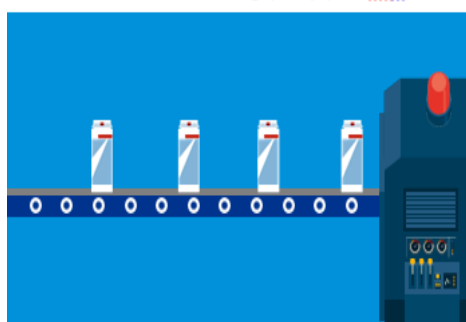
Out of the 134 Cold Chain Projects sanctioned 88 have been operationalized. 56 Cold Chain projects have been completed since June 2014, a 38% increase as compared to 29 projects completed during June 2012-May 2014. This cold chain capacity expansion benefits 500 farmers per project in fruits & vegetables and 5000 farmers per project in dairy/meat/marine.

The total capacity created in cold storage, controlled/modified atmosphere storage and deep freezer is 3.31 Lac MT based on 88 completed Cold Chain Projects since 2008, including capacity addition of 77.15 MT/hour for Individual Quick Freezing, 31.80 Lac litres/day for milk storage and 423 Reefer Carriers.

Milk processing (in LLPD) - 23.50



Individual Quick Freezing (IQF) (MT/Hr)- 55.95



Cold Storage (In Lakh MT) - 1.52



(Source: Department of Industrial Policy and Promotion, Food Processing Sector, Achievement Report August, 2016)

Cold storage industry annually grows by 12-15 per cent in bulk storage capacity. As consumer preference and habits for food ranging from vegetables, fruits and eatables, cold storage would combine to be grown. We see expansion of frozen vegetable capacity as major difference prevailed in season and off season price. E.g., bitter gourd (karela) sold in season for Rs 20 per kg, whereas in off season it went upto Rs 100 per kg.

Even today Quick Service Restaurants increase their frozen food demand and require additional cold storage capacity. Pulses, wheat, rice, spices, poultry storages are increasing day by day. This would help food industry for processing food supply even in off season. From farm to fork, agri commodity wastage and deterioration is from 10- 30 per cent because of poor agricultural practices – on the part of farmers, lack of cost-effective transportation, good handling practices at cold storage and costly refrigeration infrastructure in urban area. Due to high cost of land leads to increase in quality losses. Farmers-customers market, packhouse at field and solar energy generation in remote area for preservation of perishable agri produce may reduce wastage.

(Source: Federation of Cold Storage Association of India)

Road Ahead

India is expected to achieve the ambitious goal of doubling farm income by 2022. The agriculture sector in India is expected to generate better momentum in the next few years due to increased investments in agricultural infrastructure such as irrigation facilities, warehousing and cold storage. Furthermore, the growing use of genetically modified crops will likely improve the yield for Indian farmers. India is expected to be self-sufficient in pulses in the coming few years due to concerted efforts of scientists to get early-maturing varieties of pulses and the increase in minimum support price.

The government of India targets to increase the average income of a farmer household at current prices to Rs 219,724 (US\$ 3,420.21) by 2022-23 from Rs 96,703 (US\$ 1,505.27) in 2015-16.

Going forward, the adoption of food safety and quality assurance mechanisms such as Total Quality Management (TQM) including ISO 9000, ISO 22000, Hazard Analysis and Critical Control Points (HACCP), Good Manufacturing Practices (GMP) and Good Hygienic Practices (GHP) by the food processing industry will offer several benefits.

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



OUR BUSINESS

Our company was incorporated as “Aakarshit Ice and Cold Storage Private Limited” on January 03, 1997 under the Companies Act, 1956 vide Certificate of Incorporation issued by the Registrar of Companies, Gwalior. For further details regarding the change in the name of our company, please refer to the chapter titled “History and Certain Corporate Matters” beginning on page 94 of this Draft Prospectus.

We are engaged in the business of cold storage and trading of agricultural commodities such as potatoes, carrot, Mahua, jaggery, etc. We had set up and made operational our cold storage unit on Indore Pithampur Bypass at Survey No. 54/5, Sonway Village, Tehsil – Mhow, District Indore, Madhya Pradesh in the year 1996-97. Initially the company built 12000 MTs. capacity which was eventually increased to 22100 MTs. Total available land is 1,53,312 sq. ft. and built-up area is measuring approx 80,000 sq. ft. Although, we also have an ice manufacturing facility but it is made operational on the basis of substantial demand.

The local farmer or trader of agriculture produce hire our services to store their produce prior to sale. The capacity earmarked for different produce and requisite temperature as well as relative humidity is shown below:

Sr. No.	Product	Capacity (MTs)	Temp Zone (⁰ C)	Relative Humidity (%)
1	Table and Seed Potato	7000	33 to 35 FH	60% to 65%
2	Carrot	4000	33 to 35 FH	50%
3	Mahua	5000	42 to 45 FH	50%
4	Jaggery	3500	42 to 45 FH	50%
5	Others	2600	42 to 45 FH	50%

However, the estimated capacity is interchangeable among potato, Carrot and among Mahua, jaggery and others.

We believe that the need for setting up and construction of cold storage facilities is highly required for the preservation of agro commodities and the same shall be equally beneficial to both producers and consumers and shall there by strengthen the rural economy of perishable commodities. Our project envisages perfect backward and forward linkage of marketing activities as an essential pre-condition. Further, it has become a practice to provide necessary finance to hirers of the cold storage against their stocks stored in the cold storage in order to keep the price steady and allow the support price to the farmers. Providing this seasonal finance is an important factor in the growth of our business.

Our total income for the previous financial year 2017-18 is ₹ 2,546.52 lakhs and EBITDA is ₹ 314.12 lakhs.

OUR TOP 10 CUSTOMERS ARE AS FOLLOWS;

Sr. No.	Particular	Amount
1.	Nahar Traders, Dhar	4,946,148.00
2.	Jay Prakash Laxmi Narayan ,Para	3,437,855.00
3.	Manoj Choudhry, Bheslay	1,957,849.00
4.	Rajesh Trading Co. Dhamnod	1,873,152.00
5.	Nilesh Omprakash Agrawal, Mhow	1,612,425.00
6.	Hukum Singh Thakur	1,410,598.00
7.	Radheshyam Rameshwar Ji Patidar, Gajnod	1,384,353.00
8.	Indar Singh Patel	1,364,916.00
9.	Aagiwal Traders Dhamnod	1,213,711.00
10.	Gupta Brothers, Shahgarh	1,165,500.00
	Total	20,366,507.00

Our Strengths

We believe that following are our competitive strengths:

Highly experienced Promoter backed by professional management team



Our Promoter - Mr. Mangal Sain Madaan has been engaged in the business of Cold Storage for around 20 years and has gathered immense knowledge of the working of this niche sector. Mr. Aakarshit Madaan who represents the young face of our company, represents a good combination of experienced and young promoter in the company. Further, our Promoters are backed by a Management team comprising of qualified and professional team having due knowledge of their respective roles in the company. We believe that our promoter and management team is capable of understanding of the industry better than new entrants and will enable us to continue to take advantage of both current and future market opportunities. It is also expected to help us in addressing and mitigating various risks inherent in our business, including significant competition, reliance on independent contractors, dealing with unorganized farming sector, the global economic crisis and fluctuations in agricultural product prices.

Locational Advantage

Our unit is based on a strategic ideal location on Indore Pithampur Bypass leads to Pithampur Industrial area which is largest Industrial Area in the State of Madhya Pradesh. As a result of green revolution, the State has witnessed considerable growth in agriculture sector comprising of high yielding varieties of crops, seeds, chemical fertilizers, plant protection measures, irrigation, etc. Agro products, being a perishable commodities, it becomes very important to collect the produce from farmers immediately and keep it in Cold Storage. Also with the increasing infrastructure and transportation in the area, supplying the stored agro commodities to wholesalers has become quick and convenient. We believe that there is no other cold storage facility of our size and capabilities within a radius of approximately 10 kms from our site and thus it provides us with a significant competitive edge.

Favourable Government Policies for our sector

The Government of India through the Ministry of Food Processing Industries has formulated a number of policies for extending assistance in the form of grant, subsidy and soft loan to agro food processing industries. In order to give impetus to promotion of all Agro Food Processing Industries several incentives and concessions have been granted. The government has actively supported cold chain, pre and post harvest network area near the production sites. Public-Private Partnership has been encouraged to establish cold chain, pre and post harvest network infrastructures by the Madhya Pradesh Government. We believe that since our core business adds tremendous value to the supply chain of agro produce and empowers farmers/traders to be able to get good prices for their produce, this sector shall continue to get support and encouragement from the government going forward.

Relations with our Bankers and strong financial management

Finance provided by banks and other financial management remains an important source of funding. We maintain good relations with our lenders. This enable us to leverage our strategies through firm financial management.

Our Strategies

Leverage our financial management in line with trends in Cold Storage Industry

It has become a practice to provide necessary finance to hirers of the cold storage against their stocks stored in the cold storage in order to keep the price of agro products steady and allow the support price to the farmers. Providing this seasonal finance is an important factor in the growth of our business. By listing our shares and improving our governance systems we intend to prove our worthiness in equity and debt markets alike and hence be able to access large pool of funds. This would put us in a situation of advantage w.r.t our funding abilities, hence having a direct impact on competitive position for making our Storage facility the first choice for the local market constituents.

Advantages of our experience and technology

We operate in a strategic location between Indore and Pithampur. Our promoter – Mr. M.S. Madaan was able to identify this region looking to huge demand for cold storage facility. Further, having first mover advantage locally is a prime factor in our continuous business possibilities. Moreover, we have variety of chambers of different size to address customer requirement. It helps us establish local networks as well as create goodwill. It is our long term strategy to continue to identify such locations where there is a demand supply mismatch and



leverage our existing technological as well as financial capabilities for generating future growth. Our facilities are constructed looking into the need of social aspect for the purpose of development rural-economy in perishable commodity sector generate self-employment as well as minimize post-harvest loss of agro produces.

Explore other avenues of revenue generation giving synergies with the existing business plan

In addition to revenue earned from rental income of storage facility, we also use part of storage capacity for our own agriculture produce. We do purchase seasonal produce from Mandi, store it and sale it when the rate improves in off-season. We further intend to utilize our domain knowledge on agricultural commodities and our existing relations with marketing networks to place strategic trades on the potato markets in our area. We believe that trading would help us improve our financial results as well as provide an added revenue stream to our business. Further, in the future the management may consider setting up additional processing facilities for its agro commodities being stored in form of forward integration.

Regular Expansion of capacities to meet growing demand

Our Cold Storage facility is in the proximity of the diversified crop production areas. It becomes very important to collect the produce from the farmers immediately and keep it in Cold Storage. Madhya Pradesh is the second largest State in India which has an agrarian economy. As a result of green revolution, the State has witnessed considerable growth in agriculture sector comprising of high yielding varieties of crops, seeds, chemical fertilizers, plant protection measures, irrigation, etc. We wish to capitalize on this opportunity by increasing our storage capacity in regular intervals, such that the increased capacity is operational before each harvesting season. Accordingly, we increase capacity of our chambers to 22,100 MTs.

SWOT ANALYSIS

Strengths	Weakness
<ul style="list-style-type: none"> ➤ Competitive pricing better than or equal to that of our rivals due to sizeable capacity and fixed cost getting minimized due to its spread over available capacity ➤ Strong marketing strategy that will prove to be effective, helping to raise profiles and profits ➤ Highly experienced Management team ➤ Modern Infrastructure facility available ➤ Heading towards debt free status towards infrastructure. 	<ul style="list-style-type: none"> ➤ It is a seasonal industry ➤ Linked to agro products which are dependent on Weather. ➤ Unstable market condition
Opportunities	Threats
<ul style="list-style-type: none"> ➤ Indian cold chain industry is expected to grow at faster speed as India ranks first in growing of fruits and vegetables. ➤ Diversified cold storage facility ie different chambers available for different agro products ➤ Dynamic market position leads to price gain 	<ul style="list-style-type: none"> ➤ Competitive Market ➤ Price wars between competitors which leads to price cuts and might damage profits. ➤ Rising operating cost. ➤ Increasing price trend of agro produce. ➤ Poor infrastructure at the farm level might pose problem. ➤ Big giants through e commerce might hamper business opportunities

Location

We operate our storage facilities from a free hold land situated at Village – Sonway, Tehsil – Mhow, District – Indore, Madhya Pradesh. The registered office of our company is situated at F-1 Chetak Arch, 7-MG Road, Indore. The picture of cold storage facilities are given hereunder:



Systems and Technology

In line with strategies, emphasis has been given to the following technical points:

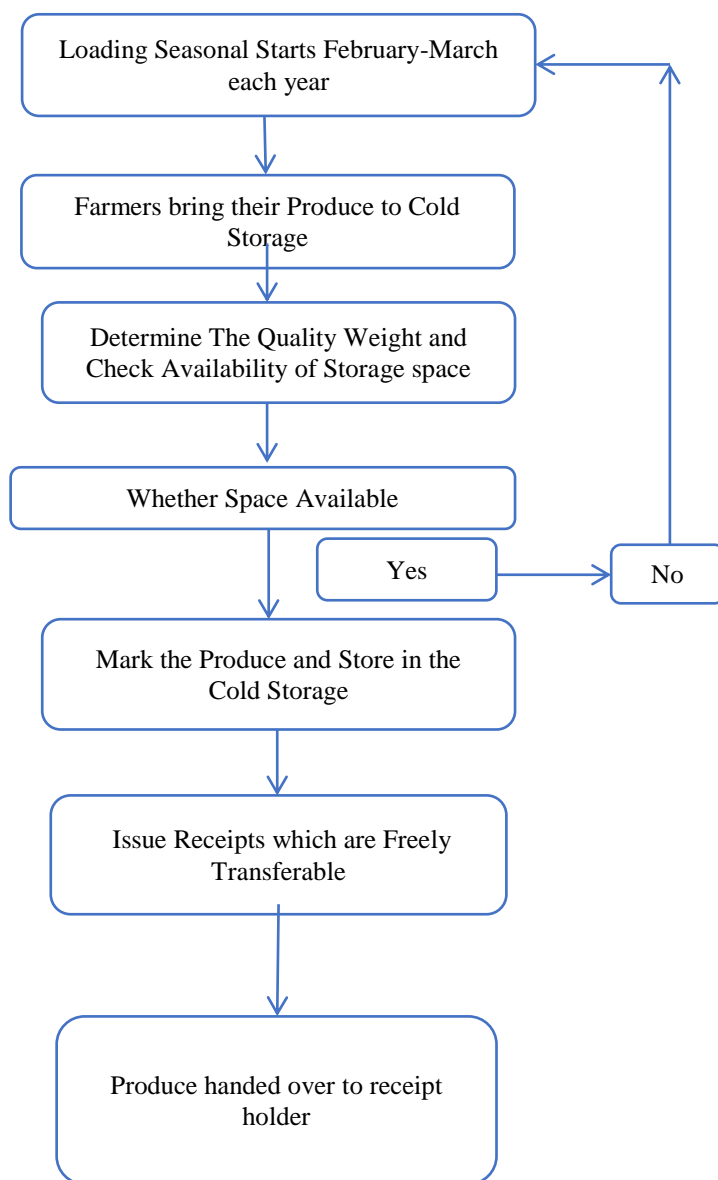
- Reducing Post harvest management (PHM) losses with multi-chamber and multi produce facilities;
- Usage of Modern Design/Technology and Energy Saving equipment/devices in order to avoid Obsolescence of machinery;
- Improvement of technology by installation of Gravity cooling system with Ammonia Pump liquid overfeed systems;

In the cold storage, various agro produce should be kept in fresh condition thereby requiring following features:

Temperature: Dry bulb temperature of the chamber storing vegetables is maintained at 35°F (+) 1° F for storage above three months. In case of storage for less than 3 months d.b.t of 38° F (+) 1° F is maintained.

Relative Humidity: Relative humidity in the chambers of vegetables and spices with water contents of 50% to 65% at temperature difference of 12° F between evaporating temperatures within the cooling coil and dry bulb temperature in the chamber is maintained between 50% to 65% due of the usage of gravity coil in our cold storage.

Business Process Flowchart



Raw Materials

Since there is no manufacturing or processing activity carried out, there is no specific raw material required for company's operations. The only material requirements are the various agricultural commodities which are being stored as well as traded by the company. No scarcity of agricultural commodities is anticipated due to high yielding varieties of crops, vegetables production in our district, State as well as Country.

Locational Advantage

Our unit is based on a strategic ideal location on Indore Pithampur Bypass leads to Pithampur Industrial area which is largest Industrial Area in the State of Madhya Pradesh. As a result of green revolution, the State has witnessed considerable growth in agriculture sector comprising of high yielding varieties of crops, seeds,



chemical fertilizers, plant protection measures, irrigation, etc. Agro products, being a perishable commodities, it becomes very important to collect the produce from farmers immediately and keep it in Cold Storage. Also with the increasing infrastructure and transportation in the area, supplying the stored agro commodities to wholesalers has become quick and convenient. We believe that there is no other cold storage facility of our size and capabilities within a radius of approximately 10 kms from our site and thus it provides us with a significant competitive edge.

Utilities

Power: Power is the main resource for our operations. We have obtained electrical power to the extent of 265 KVA from Madhya Pradesh Paschim Kshetra Vidyut Vitaran Company Ltd. This is sufficient for the cold storage activity being carried out by the Company. However, the company has made standby arrangement by installing one D.G. set of 160 KVA and another of 125 KVA to counter power cut / power failure or similar kind of eventuality.

Water: The Company has water tubewell within its premises to meet water requirement for operation as well as drinking purpose.

Access to Road: Our site has direct access to four lane Indore-Pithampur Bypass.

Plant and Machinery

Apart from the cold storage chamber which consist of the primary civil structure (building chamber) which is internally fitted with sub-structures made from Wood, Wood Chaali & Battam, Bamboo Chali, Stone Chips, etc. and is insulated using glass wool and polystyrene slabs the other core equipment and machinery critical to our business is as follows:

- Refrigeration Compressor with all accessories and drive sets, Pulley, V-Belt etc
- Atmospheric Type Condensing Unit for water sprinkling system with water outlet arrangement and drip pan.
- Cooling Coils at the top floor of the Cold Storage Chamber with the interconnection arrangement including water jacket cooling
- Refrigeration Equipment and Valves such as Ammonia Pressure Receivers, Non-Condensable Air Purger, testing equipment etc.
- Other electrical fittings and accessories such as Induction Motor, Centrifugal Pump Set, Ceiling Fans on top of the Cooling Coils for providing necessary air pressure and cooling to the other chambers below etc.
- Ice manufacturing plant.

The selection of machinery is based on the requirement of maximum cooling load in terms of tones of refrigeration. The components of the cooling load for the refrigerated space may be classified according to the following items:

- 1) Heat transmission through the structure
- 2) Infiltration of air leakage into the space
- 3) Heat emission from occupants
- 4) Heat from fan, motor, electric, light, etc.
- 5) Product load i.e. heat, to the extracted from produces

For the cold storage maximum cooling load requirements is calculated to be around 512 TR. at peak season. Selection of pump is based on the maximum water requirement for condenser unit, which is of water cooled atmospheric type, maximum water requirement has been found to be around 3000 opm. at a total head of 35ft.

We believe that our plant structure and machineries are suitable for such type of project and the same have been extensively used throughout the country for last 3 decade.



List of Our Major Plant & Machineries given hereunder;

Sr. No.	Description
1	Ammonia Compressor Kirloskar KC-4
2	Ammonia Compressor Kirloskar KC-4
3	Ammonia Compressor Kirloskar KC-3
4	Ammonia Compressor Kirloskar
5	D.G. Set Kirloskar
6	D.G. Set Kirloskar
7	Transformer 500 KVA

CAPACITY AND CAPACITY UTILISATION

Capacity per annum	Installed Capacity per annum	Utilised Capacity (approx)		
		2015-16	2016-17	2017-18
Storage Capacity	Upto 2016-17: 17100 MTs 2017-18 onwards: 22100 MTs	65%	70%	80.00%

Collaborations

The Company has so far not entered into any technical or financial collaboration agreement because they have requisite knowledge and good amount of experience in the field.

Marketing Setup

The growth of diversified crops, vegetables, and spices are abundant in the locality where our cold storage facility is set up. There is no specific requirement of a marketing set up. However, our Managing Director – Mr. MS Madaan has extensive experience as a trader, cold storage facility provider and agriculturist in this region and business is, and will continue to be generated through this existing network.

Manpower

We do not require significant manpower on our payroll. The daily requirement of unskilled manpower for the loading & unloading is carried out by the manpower of the farmers/traders. Such manpower is easily available in the proximity of the cold storage. Our manpower requirements are limited to supervisory and administration activities. Following is the number of employees on our company's payroll as on March 31, 2018:

Sr. No.	Category	No. of Employee
1.	Managing Director and Key Managerial Persons	6
2.	Operations and Administration Support Staff	14
	Total	20

These employees look after our business operations including Production, R&D, Quality Assurance, Purchase Marketing, Accounts, Stores and administration, secretarial and other functions etc.

Our manpower is a prudent mix of the experienced and youth which gives us the dual advantage of stability and growth. Our work progress and skilled/ semi-skilled/ unskilled resources together with our strong management team have enabled us to successfully implement our growth plans. Our employees are not currently unionized, and there have been no work disruptions, strikes, lock-outs or other employee unrest to date. The Company believes that its relations with its employees are excellent.

MAN POWER STATUS							
TECHNICAL		SKILLED		SEMISKILLED		UNSKILLED	
Required	Present	Required	Present	Required	Present	Required	Present
1	1	3	3	3	3	7	7

Export and Export Obligations

Our Company doesn't have any export obligation as of now as we are neither importing nor exporting any commodity.

Products and Services

We provide cold storage facilities to traders/farmers for a fixed rent. These services would be industrial in nature. Apart from the above rental incomes earned from cold storage activities, we are also involved in the trading of various vegetables and other agricultural produces not only because we regularly auction stock lying at our warehouse but also because we believe that since we are deeply involved in the marketing and logistics business, we have gathered good knowledge of price trend.

Client Base

Our clients are local traders and farmers in the region where we operate. Our top ten clients constitute 8.40% of our total revenue from operations for FY ended March, 2018. We do not sell to any large or organized sector as part of our internal business strategy.

Competition

Cold Storage Industry in India and particularly Madhya Pradesh is governed by local factors. The proximity of a storage facility to the local growing areas is a core competitive factor in this business. We have minimal competition due to availability of chambers of different size. This kind of leverage is not available in any of the cold storage.

Property

The details free hold property on which we have our registered office as well as cold storage facility is as under:

Sr. No.	Schedule of the Property and use	Area (in Sq. Ft.)	Consideration (₹ in Lakhs)	Nature of Interest	Year of Purchase/Construction	Seller
1.	Land for cold Storage situated at Village-Sonway, Tehsil-Mhow, District-Indore, Madhya Pradesh	1,53,312	3.24	Owned	1997	Farmer
2.	Cold storage building	80,000	540.72	Owned		
	Total	2,33,312	543.96			

Insurance:

The insurance policies covered by the company are:

Sr. No.	Name of the Insurance company	Type of policy	Validity Period	Description of Assets covered under the	Policy No.	Sum Insured	Premium
1.	The Oriental Insurance Co. Ltd.	Dwelling	06.09.2018 to 05.09.2019	Building	151100/11/2019/211	50,00,000	1977
2.	The Oriental Insurance Co. Ltd.	STFI, Fire with earthquake cover	30.08.2018 to 29.08.2019	Plant and Machinery	151100/11/2019/202	7,47,15,000	30,124

KEY INDUSTRY REGULATIONS AND POLICIES

In carrying on our business as described in the section titled “Our Business” on page no. 76 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 Key Approvals” beginning on page 146 of this draft Prospectus.

Our Company is engaged in the business of cold storage and trading of agriculture commodities such as potatoes, carrot, mahua, jaggery. 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.

This chapter has been classified as under:

- A. Business related Laws**
- B. Laws relating to Labour and Employment**
- C. Environmental Regulations**
- D. Tax Laws**
- E. Statutory and Commercial Laws**
- F. Foreign investment regulations**

APPLICABLE LAWS AND REGULATION

A. BUSINESS RELATED REGULATION

The Essential Commodities Act, 1955

The Essential Commodities Act, 1955 (“**Essential Commodities Act**”) provides for the regulations relating to production, supply, distribution, trade and commerce of the commodities that are declared as essential, for maintaining or increasing supplies of any essential commodity or for securing their equitable distribution and availability at fair prices. Foodstuff including potatoes, onions are categorized as essential commodities under the Essential Commodities Act. The ministries/ departments of Central Government have issued control orders for regulating production, distribution and quality aspects pertaining to the commodities which are essentially administered by them.

The Food Safety and Standards Act, 2006

The Food Safety and Standards Act, 2006 (“**FSSA**”) was enacted on August 23, 2006 with a view to consolidate the laws relating to food and to establish and regulate the Food Safety and Standards Authority of India (“**Food Authority**”) for setting out scientific standards for food articles and to regulate their manufacture, storage, distribution, sale and import to ensure availability of safe and wholesome food for human consumption. The Food Authority is required to provide scientific advice and technical support to the Government of India and the state governments for framing the policy and rules relating to food safety and nutrition. The FSSA also sets out requirements for licensing and registering food business, general principles for food safety, and responsibilities of the food business operator and liability of manufacturers and sellers, and adjudication by ‘Food Safety Appellate Tribunal’. In exercise of powers under the FSSA, the Food Authority has framed the Food Safety and Standards Rules, 2011 (“**FSSR**”) which have been operative since August 5, 2011. The FSSR provides the procedure for registration and licensing process for food business and lays down detailed standards for various food products. The FSSR also sets out the enforcement structure of ‘commissioner of food safety’, ‘food safety officer’ and ‘food analyst’ and procedures of taking extracts, seizure, sampling and analysis.

Madhya Pradesh Krishi Upaj Mandi Adhiniyam, 1972

Madhya Pradesh Krishi Upaj Mandi Adhiniyam, 1972 (“**MPKUM Act**”) regulates buying and selling of agricultural produce and the establishment and proper administration of market for agricultural produce in the State of Madhya Pradesh. MPKUM Act provides for constitution of Market Committee for every market area to implement the provisions of MPKUM Act, rules and bye-laws made thereunder in the market area. The Market Committee has been authorized to grant license/ renew the license to whoever desires to operate in the market area, in accordance with the prescribed bye-laws.

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

In order to promote and enhance the competitiveness of Micro, Small and Medium Enterprise (“**MSME**”) the act is enacted. A National Board shall be appointed and established by the Central Government for MSME enterprises with its head office at Delhi in the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and Regulation) Act, 1951 as “Micro Enterprise”, where the investment in plant and machinery does not exceed twenty-five lakhs rupees; “Small Enterprise”, where the investment in plant and machinery is more than twenty-five lakhs rupees but does not exceed five crores rupees; or a medium enterprise, where the investment in plant and machinery is more than five crores but does not exceed ten crores rupees and in the case of the enterprise engaged in the services, “Micro Enterprise”, where the investment in equipment does not exceed ten lakhs rupees, “Small Enterprise” where the investment in equipment is more than ten lakhs rupees but does not exceed two crores rupees, or “Medium Enterprise” where the investment in equipment is more than two crores rupees but does not exceed five crores rupees.

B. LAWS RELATING TO LABOUR AND EMPLOYMENT

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 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 is the rule applicable to our Company:

- *The Madhya Pradesh Factories rules, 1962.*

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. 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. All employees working in establishments are covered by the ESI Act and are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. 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 Minimum Wages Act, 1948

The State Governments may stipulate the Minimum Wages Act (“**MW Act**”) applicable to a particular industry. The MW Act generally consist of a basic rate of wages, cash value of supplies of essential commodities at concession rates and a special allowance, the aggregate of which reflects the cost of living index as notified in the Official Gazette. Workers are to be paid for overtime at overtime rates as stipulated by the appropriate State Government.

Any contravention may result in imprisonment of up to six months or a fine of up to ₹ 500 or with both. Further, employees who have been paid less than the minimum wages are entitled to the payment of the shortfall amount, together with compensation, which may extend up to ten times the shortfall amount.

The Employees' Compensation Act, 1923

The Employees' Compensation Act, 1923 ("EC Act") has been enacted with the object to provide compensation to workmen by employers for injuries caused by accident(s) arising out of and in the course of employment, and for occupational diseases resulting in death or disablement. The EC Act inter-alia lays down the amount of compensation to be paid in any such circumstance. In case the employer fails to pay the compensation under the provisions of the EC Act within 1 (one) month from the date it falls due, the employer may be directed to pay the compensation along with simple interest.

The Employees' Provident Fund and Miscellaneous Provisions Act, 1952

Under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 ("EPF Act"), compulsory provident fund, family pension fund and deposit linked insurance are payable to employees in factories and other establishments. The EPF Act inter-alia provides that a factory mentioned in Schedule I employing more than 20 (twenty) persons, either directly or indirectly, in any capacity whatsoever, is either required to constitute its own provident fund or subscribe to the statutory employee's provident fund. The employer of such establishment is required to make a monthly contribution to the provident fund equivalent to the amount of the employee's contribution to the provident fund. The employer has to get himself registered with the Regional Provident Fund Commissioner. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities.

The EPF Act also inter-alia imposes punishments on any person who avoids making payments required to be made under the schemes as per EPF Act and specifically on employers who contravene or default in complying with certain provisions of the EPF Act. If the person committing an offence is a company, every person who at the time of the commission of offence was in charge of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly.

Payment of Wages Act, 1936

The Payment of Wages Act ("POW Act") applies to the persons employed in the factories and to persons employed in industrial or other establishments, either directly or indirectly through a sub-contractor, where the monthly wages payable to such persons is less than ₹ 24,000/-. The POW Act confers on the person(s) responsible for payment of wages certain obligations with respect to the maintenance of registers and the display in such factory/establishment, of the abstracts of POW Act and rules made there under.

Payment of Bonus Act, 1965

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

The Contract Labour (Regulation and Abolition) Act, 1970

The provisions of Contract Labour (Regulation and Abolition) Act, 1970 ("CLRA") is applicable to a factory employing twenty or more persons on any day of the preceding twelve months.

The Equal Remuneration Act, 1976

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

Maternity Benefit Act, 1961

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

Child Labour (Prohibition and Regulation) Act, 1986

Child Labour (Prohibition and Regulation) Act, 1986 (“**Child Labour Act**”) prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Under the Child Labour Act the employment of child labour in the building and construction industry is prohibited.

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

In order to curb the rise in sexual harassment of women at workplace, The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 was enacted for prevention and redressal of complaints and for matters connected therewith or incidental hereto. The terms sexual harassment and workplace are both defined in the act. Every employer should also constitute an “Internal Complaints Committee and every officer and member of the company shall hold office for a period of not exceeding three years from the date of nomination. Any aggrieved woman can make a complaint in writing to the internal committee in relation to sexual harassment of female at workplace. Every employer has a duty to provide a safe working environment at workplace which shall include safety from the persons coming in to contact at workplace, organizing awareness programs and workshops, display of rules relating to sexual harassment at any conspicuous part of the workplace, provide necessary facilities to the internal or local committee for dealing with the complaints, such other procedural requirements to assess the complaints.

The Madhya Pradesh Shops and Establishments Act, 1958

The Company has its registered office at F -1 Chetak Arch, 7-M.G. Road, Indore, Madhya Pradesh-452001. Accordingly, the provisions of The Madhya Pradesh Shops and Establishments Act, 1958 (the “**MPSE Act**”) are applicable to the Company. These provisions 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, healthy and safety measures and wages for overtime work.

C. ENVIRONMENTAL REGULATION

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.

D. TAX RELATED LEGISLATIONS

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 the IT 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 alternate tax and like.

The Goods and Services Tax Act, 2017

The Goods and Services Tax, 2017 (“**GST Act**”) is considered to be the biggest tax reform in India since independence. It will help realise the goal of “One Nation-One Tax-One Market.”

Goods and Services Tax (“**GST**”) is an indirect tax throughout India and was introduced as The Constitution (One Hundred and Twenty Second Amendment) Act 2017, following the passage of Constitution 122nd Amendment Bill. The GST is governed by GST Council and its Chairman is Union Finance Minister of India – Arun Jaitley. GST has been made applicable with effect from 1st July 2017. With the introduction of GST all central, state level taxes and levies on all goods and services have been subsumed within an integrated tax having two components – central GST and a state GST. Thus there will be a comprehensive and continuous mechanism of tax credits.

India has adopted a dual GST model, meaning that taxation is administered by both the Union and State Governments. Transactions made within a single State will be levied with Central GST (“**CGST**”) by the Central Government and State GST (“**SGST**”) by the government of that State. For inter-state transactions and imported goods or services, an Integrated GST (“**IGST**”) are levied by the Central Government. GST is a consumption-based

tax; therefore, taxes are paid to the State where the goods or services are consumed and not the State in which they were produced.

Madhya Pradesh Professional Tax Act, 1995

The Madhya Pradesh Professional Tax Act governs the levy of tax on profession, trade, callings and employment in the state of Madhya Pradesh. It is applicable to all employees defined under Section 2(c) of the Act. “**Employee**” means a person employed on (salary or wage) and includes:

- i. A government servant receiving pays from the revenues of the Central Government or any State Government or the railway fund.
- ii. A person in the service of a body whether incorporated or not, which is owned or controlled by the Central Government or any State Government where the body operates in any part of the state even through its headquarters may be outside the State;
- iii. A person engaged in any employment of an employer not covered by items (i) and (ii) above;

“**Employer**” in relation to an employee earning any [salary or wage] on regular basis under him means the person or the officer who is responsible for disbursement of such [salary or wage] and includes the head of the office or an establishment as well as the manager or agent of the employer.

“**Person**” means any person who is engaged in any profession, trade, calling or employment in the State of Madhya Pradesh and includes a Hindu undivided family, firm, company, corporation or other corporate body, any society, club or association so engaged but does not include any person who earns [salary or wage] on casual basis. If the Act is applicable, a Certificate of Registration is to be obtained by the Employer under the Act.

E. STATUTORY AND COMMERCIAL LAWS

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. Legal Metrology (General) Rules, 2011 is applicable to our Company.

Industrial Promotion Policy, 2014 (as amended upto October, 2017)

The Industrial Promotion Policy, 2014 (“**Policy**”) was issued by Government of Madhya Pradesh, Department of Commerce, Industry and Employment. The object of this policy is to achieve inclusive growth and bring economic prosperity to the people of Madhya Pradesh. The key objectives of Policy are rationalization and simplification of procedures to ensure effective implementation of policy, to improve investor facilitation and enhance ease of doing business, to create an enabling environment for robust industrial growth, to achieve higher and sustainable economic growth by accelerating the growth of manufacturing and service sectors through private sector participation, to create an able and supportive regulatory and policy environment to facilitate private sector participation, to achieve industrial growth and balanced regional development, to enhance employment opportunities, to encourage growth in Madhya Pradesh’s thrust sectors (Agribusiness and Food processing, Textiles and Logistics and Warehousing). The State Government intends to focus on MSMEs for achieving a holistic industrial growth which includes incentivizing MSME to enhance competitiveness for achieving higher growth.

The Indian Contract Act, 1872

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

performance of contract. The contracting parties themselves decide the rights and duties of parties and terms of agreement.

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

Negotiable Instruments Act, 1881

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

The Specific Relief Act, 1963

The Specific Relief Act, 1963 (“**SR Act**”) is complimentary to the provisions of the Contract Act and the T.P. Act, as it applies both to movable property and immovable property. The SR 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 (“**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 and The Companies Act, 2013

The Consolidation and amendment in law relating to Companies Act, 1956 made way to enactment of Companies Act, 2013 (“**Companies Act**”). The Companies Act, 1956 is still applicable to the extent not repealed and the Companies Act, 2013 is applicable to the extent notified. The Companies Act deals with incorporation of companies and procedure for incorporation and post incorporation. The conversion of private company into public company and vice versa is also laid down under Companies Act. The procedure relating to winding up, voluntary winding up, appointment of liquidator also forms part of the Companies Act. The provision of the Companies Act shall apply to all the companies incorporated either under the Companies Act or under any other previous law. It shall also apply to banking company, companies engaged in generation or supply of electricity and any other company governed by any special act for the time being in force. A company can be formed by seven or more persons in case of public company and by two or more person in case of private company. A company can even be formed by one person i.e. a One Person Company (OPC). The provisions relating to forming and allied procedures of OPC are mentioned in the act.

Further, Schedule V (read with sections 196 & 197), Part I lay down conditions to be fulfilled for the appointment of a managing or whole-time director or manager. It provides a list of acts under which if a person is prosecuted he cannot be appointed as a director or a Managing Director or Manager of the firm. The provisions related to remuneration of the director payable by the companies are under Part II of the said schedule.

Consumer Protection Act, 1986

The Consumer Protection Act, 1986 (“**CP Act**”) seeks to provide better protection of interests of the consumers and for that purpose to make provision for establishment of consumer councils and other authorities for the settlement of consumer’s disputes and for matters connected therewith. It seeks to promote and protect the rights of consumers.

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 Registration Act, 1908

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

The Indian Stamp Act, 1899

The Indian Stamp Act, 1899 (“**Stamp Act**”) 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 Stamp Act an instrument not ‘duly stamped’ cannot be accepted as evidence by civil court, an arbitrator or any authority authorized to receive evidence. However, the document can be accepted as evidence in criminal court.

The Arbitration and Conciliation Act, 1996

The Arbitration and Conciliation Act, 1996 (“**Arbitration Act**”) was enacted by Parliament in the Forty-seventh Year of the Republic of India to consolidate and amend the law relating to domestic arbitration, international commercial arbitration and enforcement of foreign arbitral awards as also to define the law relating to conciliation and for matters connected therewith or incidental thereto. The main objectives of the Arbitration Act is to comprehensively cover international and commercial arbitration and conciliation as also domestic arbitration and conciliation, to make provision for an arbitral procedure which is fair, efficient and capable of meeting the needs of the specific arbitration, to provide that the arbitral tribunal gives reasons for its arbitral award, to ensure that the arbitral tribunal remains within the limits of its jurisdiction, to minimize the supervisory role of courts in the arbitral process, to permit an arbitral tribunal to use mediation, conciliation or other procedures during the arbitral proceedings to encourage settlement of disputes, to provide that every final arbitral award is enforced in the same manner as if it were a decree of the court, to provide that a settlement agreement reached by the parties as a result of conciliation proceedings will have the same status and effect as an arbitral award on agreed terms on the substance of the dispute rendered by an arbitral tribunal and to provide that, for purposes of enforcement of foreign awards, every arbitral award made in a country to which one of the two International Conventions relating to foreign arbitral awards to which India is a party applies, will be treated as a foreign award.

Electricity Act, 2003

The Electricity Act, 2003 (“**Electricity Act**”) rationalizes electricity tariff and brings about transparent policies in the sector. The Electricity Act provides for private sector participation in generation, transmission and distribution of electricity, and provides for the corporatization of the state electricity boards. The Electricity Regulatory Commissions Act, 1998 has been enacted with a view to confer on these statutory commissions the responsibility of regulating this sector.

F. FOREIGN INVESTMENT REGULATIONS

FOREIGN INVESTMENT REGULATIONS

Foreign investment in India is governed by the provisions of the Foreign Exchange and Management Act (“**FEMA**”) and the rules, regulations, notifications issued under the same, read with the extant Consolidated Foreign Direct Investment Policy, as issued by the Department of Industrial Policy and Promotion (“**DIPP**”). The Reserve Bank of India (“**RBI**”), in exercise of its powers under FEMA, has notified various regulations governing the purchase, sale, allotment or subscription of securities of an Indian company to a non-resident individual or entity. Pursuant to the aforementioned legal framework, no permission is required for investment in sectors falling under the ‘automatic route’ within the specified sectoral caps. RBI has also issued Master Directions dated 4th January 2018 on Foreign Investment in India (amended as on 6th April 2018). In terms of the Master Directions, an Indian company may issue fresh shares to persons resident outside India (who is 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. 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. The Consolidated FDI policy effective from August 28, 2017 issued by the DIPP allows sectoral cap upto 100% in case of manufacturing business is allowed under automatic route.

Other Laws

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

OUR HISTORY AND OTHER CORPORATE MATTERS

Our Company was originally incorporated as Aakarshit Ice and Cold Storage Private Limited on January 03, 1997 with the Registrar of Companies, Gwalior as a Private Limited company 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 Aakarshit Ice and Cold Storage Limited. A fresh certificate of incorporation consequent upon conversion to public limited Company was issued by the Registrar of Companies, Gwalior on July 16, 2018. Our Corporate Identification Number is U63022MP1997PLC011535.

The promoters of our Company are Mr. Mangal Sain Madaan and Aakarshit Madaan.

Changes in our Registered Office:

Our Company's Registered Office is currently situated at F-1 Chetak Arch, 7-M G Road, Indore- 452001.

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

Date of Change	Particulars of registered office	Reason of change in registered office
Incorporation January 03, 1997	F-1 Chetak Arch, 7-M.G. Road, Indore- 452 001	-

Main Objects of our Company

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

1. To construct, build, equip, own and maintain and to carry on business as keepers of cold storages, storage chambers, ice- plants, godowns, warehouses, refrigerators, freezing houses and room coolers for storing fish, seafoods, merine products and processed fish, seafoods and marine products, meat, eggs, poultry products, protein foods, milk, cream, butter, cheese, bacons, sausages, fruits, roots, vegetables or other substances made from all or any of them and canned tinned and processed foods of every description and to act as transporters of aforesaid foods, substances and products.

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

Date of shareholders resolution	Particulars
August 01, 1997	Authorised Share Capital of the Company increased from ₹ 5,00,000 divided into 5,000 Equity Shares of ₹100/- each to ₹50,00,000 divided into 50,000 Equity Shares of ₹100/- each
May 05, 1998	Authorised Share Capital of the Company increased from ₹50,00,000 divided into 50,000 Equity Shares of ₹100/- each to ₹75,00,000 divided into 75,000 Equity Shares of ₹100/- each
March 21, 2000	Authorised Share Capital of the Company increased from ₹75,00,000 divided into 75,000 Equity Shares of ₹100/- each to ₹1,00,00,000 divided into 1,00,000 Equity Shares of ₹100/- each.
March 25, 2013	Authorised Share Capital of the Company increased from ₹1,00,00,000 divided into 1,00,000 Equity Shares of ₹100/- each to ₹ 1,10,00,000 divided into 1,10,000 Equity Shares of ₹100/- each.
September 30, 2017	Authorised Share Capital of the Company increased from ₹1,10,00,000 divided into 1,10,000 Equity Shares of ₹100/- each to ₹ 5,55,00,000 divided into 5,55,000 Equity Shares of ₹100/- each.
May 08, 2018	Company has Sub Divided its Equity shares of Face value of Rs 100/- per share into smaller amount of Face Value of Rs 10/- each. After considering sub-division, Authorised share capital of the company is Rs 5,55,00,000 divided into 55,50,000 Equity Shares of Rs 10/- each.



Major Events and Milestones

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

Year	Particulars
1997	Incorporated Aakarshit Ice and Cold Storage Private Limited
1997	Granted Trade and Industry License for production capacity of 17100 MTs
2018	Company crosses production capacity from 1700 MTs to 5000 (approx) MTs.

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 76, 97 and 68 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 Prospectus.

Subsidiary of our Company

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

Injunctions or Restraining Orders

There are no injunctions/ restraining orders that have been passed against our Company as on the date of filing of this 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 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 47 of this 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 filing of this Prospectus. .

Changes in the Management

For details of change in Management Please refer to “*Our Management*” on page 97 of this Prospectus.

Shareholders Agreements

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

Strategic Partner

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

Financial Partner

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

Number of Shareholders

Our Company has 8 shareholders as on date of this 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 Prospectus. For details of Guarantees provided by our Promoters Please refer to “*Risk Factors*” on page 14 of this Prospectus

OUR MANAGEMENT

Board of Directors

As per the Articles of Association, our Company is required to have not less than 3 Directors and not more than 15 Directors. Our Company currently has 5 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
Mr. Mangal Sain Madaan Father's Name: Mr. Gurdas Mal Madaan Designation: Managing Director Term: For a term period of 5 years with effect from June 11, 2018 Address: BG- 192, Scheme No. 74, Vijay Nagar, Indore- 452010 Occupation: Business PAN: ACPPM2735H Nationality: Indian DIN: 00082994	78	1) Madaan Classic Developers Private Limited 2) Motel Rahans Private Limited 3) Punjabi Welfare Foundation
Mr. Aakarshit Madaan Fathers Name: Mr. Ashok Madaan Designation: Executive Director Date of Appointment: July 26, 2017 Term: Liable to retire by Rotation. Address: BG- 192, Scheme No. 74, Vijay Nagar, Indore- 452010 Occupation: Business PAN: BJNPM0206K Nationality: Indian DIN: 03386001	28	1) Madaan Classic Developers Private Limited 2) Motel Rahans Private Limited 3) Plumtech Infotech Solution Private Limited 4) Plum Sports Holdings Private Limited 5) Punjabi Welfare Foundation
Mrs. Ruchi Sogani Husband Name: Mr. Saurabh Sogani Designation: Additional Independent Director Date of Appointment: July 12, 2018 Term: Upto Next Annual General Meeting Address: 28 Ganesh Dham Colony, Near Banagali Square, Kanadia Road, Indore- 452 016 Occupation: Teaching	38	1) G. G. Automotive Gears Limited 2) Dollex Industries Limited 3) Dollex Agrotech Private Limited 4) Parvati Sweetners and Power Limited 5) Madhya Pradesh Today Media Limited 6) Prithviraj Hospitality Limited

PAN: BQRPS8537A Nationality: Indian DIN: 02805170		
Mr. Sobhag Shambhu Singh Father's Name: Mr. Shambhu Singh Designation: Non-Executive Independent Director Date of Appointment: April 11, 2018 Term: For a term of 5 years Address: 1539, Dwarkapuri Colony, Indore- 452009 Occupation: Retired PAN: ADUPS8949K Nationality: Indian DIN: 07223525	71	1) Prithviraj Hospitality Limited
Mr. Vijay Singh Bharaktiya Father's Name: Mr. Chandan Sinha Bharaktiya Designation: Additional Independent Director Date of Appointment: August 06, 2018 Term: up to next Annual General Meeting Address: 414-A Mahalaxmi Nagar, Indore – 452 010 Occupation: Retired PAN: ACMPB4528Q Nationality: Indian DIN: 00017285		1) Agro Phos (India) Limited 2) Dollex Industries Limited 3) Alfavision Overseas (India) Limited 4) Parvati Sweetners and Power Limited 5) Sai Kripa Sugar Mill Private Limited 6) Khandwa Bio-Tech Private Limited 7) Parag Fans And Cooling System Limited 8) Prithviraj Hospitality Limited

Note:

As on the date of this 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 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. Mangal Sain Madaan: Aged 78, is the promoter, chairman and Managing Director since January, 1997 of our company. He holds a Bachelor's Degree in Arts Stream from Punjab University. He possesses ample experience of 15 years in Cold Storage Industry. He has actively participated in the activities of various forums and platform of Cold Storage Industry. He offers his overall domain knowledge of the company. He is actively participated in the routine business activities of company and provides his valuable suggestion to the employees of the company.

Mr. Aakarshit Madaan: Aged 28, is the promoter, executive director of the company. Aakarshit is representing the young face of the company, appointed as the Director to the Board of Director in July, 2017. He possesses the Bachelor's Degree of BFIA (Bachelor of Financial & Investment Analysis) from Amity College of Commerce & Finance, Amity University, Uttar Pradesh. In addition, he also possesses the Bachelor's Degree from Khalsa College of DAVV, Indore. He is looking after various corporate and financial affairs of the company. He plays vital role in the routine working of the company.

Mr. Sobhag singh, aged about 68 years, is the Non-Executive Director and Independent Director of our Company. He holds a Bachelor's degree in Mechanical Engineer from University of Indore and also PGD in Administrative and Marketing Management from Jamunalal Bajaj Institute, Mumbai. He secured first position in order of merit in University of Bombay. He has techno commercial marketing experience of 30 years.

Ms. Ruchi Sogani, 38, is an Additional Independent Director of our company. She holds a Master's degree in Business Administration, in Advertising and Public Relation from DAVV University, Indore and a Professional degree of Bachelor of Education from DAVV University, Indore. She has been a Director in many companies since 2010.

Mr. Vijay Singh Bharaktiya aged 82 years, is Non-Executive Director and Independent Director of our Company. He holds a degree of Bachelors in commerce from Holkar College, Indore. He holds vast experience of almost 65 years in different industries. He was also a member of Ranchi Industrial Area Development Authority, Bihar State advisory committee of Industrial Finance Corp. of India and also Promoter of Indore Management Association. He is also engaged in providing consultancy services to Agriculture industries such as BLA Renewable Energy Pvt. Ltd, Dadi Mas Fodds Pvt. Ltd., Prakritic Bio-fuels Pvt. Ltd. and also handled successfully Bio diesel and various other projects.

Confirmations

Nature of Family Relationship among Directors

Mr. Aakarshit Madaan is the grandson of Mr. Mangal Sain Madaan and hence they are relative within the meaning of section 2(77) of the Companies Act, 2013.

Borrowing Powers of the Board

In accordance with the Articles of Association and pursuant to the EGM of our Company held on February 18, 2014 the Board is authorised to borrow money, mortgage, hypothecate and/or charge all of our Company's immovable and movable properties, present and future, in such sum form or manner as the Board may think fit for securing loans already obtained or that may be obtained from our Company's banker or any other banks, financial institution or any other lending institutions or persons, provided that the total amount of money or monies so borrowed (apart from temporary loans obtained or to be obtained from our Company's bankers in the ordinary course of business), by our Company shall not, at any time, exceed the ₹20.00 Crores.

Remuneration to our Directors

Details of remuneration paid to our Directors during FY 2017-18 are given in the table below:

Sr. No.	Name of Director	Remuneration (₹ in Lakhs)
1)	Mangal Sain Madaan	6.00
2)	Naveen Madaan	10.00
3)	Aakarshit Madaan	4.00

Terms of Appointment of our Directors

Executive Directors

Name	Mr. Mangal Sain Madaan
Designation	Re-appointment as Chairman and Managing Director
Term	For a term period of 5 Years with effect from June 11, 2018
Remuneration	12,00,000 P.A.

Name	Mr. Aakarshit Madaan
Designation	Director
Term	Liable to retire by Rotation
Remuneration	6,00,000 P.A.

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 which is ₹ 10,000/- per meeting. 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 Prospectus:

Name of Director	Number of Equity Shares held	Percentage of pre-Issue capital
Mr Mangal Sain Madaan	8,17,500	26.98%
Mr Aakarshit Madaan	6,61,350	21.83%

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

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

Name	Date of appointment/change/cessation	Reason
Mr. Naveen Madaan	July 26, 2017	Due to Engagement in other Business Activity
Mr. Aakarshit Madaan	July 26, 2017	Appointed as Executive Director
Ms. Ruchi Sogani	June 11, 2018	Appointed as Additional Independent Director
Mr. Mangal Sain Madaan	June 11, 2018	Re-designated as Managing Director
Mr. Sobhag Shambu Singh	July 16, 2018	Appointed as Non-Executive Independent Director
Mr. Vijay Singh Bharaktiya	August, 06, 2018	Appointed as Additional Non-Executive Independent Director

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 112 of this 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 Directors (including one woman Director).

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;
- 4.) Corporate Social Responsibility 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 August 06, 2018. The Audit Committee comprises of the following:

Sr. No.	Name of the Director	Status	Nature of Directorship
1)	Mr. Sobhag Singh	Member cum Chairman	Non-Executive Independent Director
2)	Mr. Mangal Sain Madaan	Member	Managing Director
3)	Mrs. Ruchi Sogani	Member	Non-Executive Independent Director

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

The scope, functions and the terms of reference of the Audit Committee is in accordance with the Section 177 of the Companies Act, 2013 and Regulation 18 (3) 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 August 06, 2018. The constitution of the Nomination and Remuneration committee presently is as follows:

Sr. No.	Name of the Director	Status	Nature of Directorship
1.	Mr Vijai Singh Bharkatiya	Member cum Chairman	Additional Independent Director
2.	Mrs Ruchi Sogani	Member	Non-Executive Independent Director
3.	Mr Sobhag Singh	Member	Non-Executive Independent Director

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

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

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

- (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 August 06, 2018. The constitution of the Stakeholders' Relationship committee is as follows:

S. N.	Name of the Director	Status	Nature of Directorship
1.	Vijay Singh Bharkatiya	Chairman cum Member	Additional Non-Executive Director
2.	Mrs Ruchi Sogani	Member	Non-Executive Independent Director

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

This Committee is responsible for the redressal 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.

Our Company has adopted the following policies:

- 1) Code of Conduct
- 2) Whistle Blower Policy & Vigil Mechanism
- 3) Related Party Transactions (RTP) Policy
- 4) Policy for Prevention of Sexual Harassment

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 Whole Time Director, following key personnel assist the management of our Company:

Brief Profile of Key Managerial Personnel:

Chief Financial Officer

Mr. Santosh Binake: Aged 36, is the Chief Financial Officer of the Company. He holds Bachelor's Degree in commerce stream from DAVV Indore. He has more than 10 years of experience in the field of Accounting. He looks after day to day accounting system and financial management of the company. Mr. Binake is very dedicated and hardworking. His overall experience is very beneficial for the growth of the company.

Company Secretary

Ms. Ruchi Barche, aged 34 Years, is B.Com. From Barkatullah University Bhopal (M.P.) and qualified Company Secretary (CS) having good experience in the field of Corporate Laws, Listing and Finance. Ms. Ruchi Barche is Associate member of the Institute of Company Secretaries of India (ICSI). In the, past Mrs Ruchi Barche was associated with M/s. Alfavision Overseas (India) Limited from July, 2017 to March, 2018 (BSE Listed) and ICICI Bank, Malav Parisar, Indore (M.P.) as Senior Associate for Loan Against Shares. Ms. Ruchi Barche is Company Secretary & Compliance Officer of the Company, her function includes reporting to Board about Compliances with provision of Companies Act as well as looking after the listing and company law compliances of the Company.

For details of our Directors please refer chapter "Our Management" on page 97 of this Prospectus.

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, Except Mr. Mangal Sain Madaan and Mr. Aakarshit Madaan 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. Mangal Sain Madaan, Chairman and Managing Director of the Company holding 8,17,500 Equity Shares, and Mr. Aakarshit Madaan, Executive Director holding 6,61,350 Equity shares, 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 Prospectus.

Interest of Key Managerial Personnel

Except Mr. Mangal Sain Madaan, Chairman and Managing Director and Mr Aakarshit Madaan Executive 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 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 on page 97 of this Prospectus.

Set forth below are the changes in the key managerial personnel of our Company during the last three (3) years.

Name	Date of appointment	Date of cessation	Reason
Mr. Naveen Madaan	January 01, 1997	July 26, 2017	Due to pre-occupation
Mr. Santosh Kumar Binake	June 11, 2018	-	Appointed as Chief Financial Officer
Mr. Ruchi Barche	July 12, 2018	-	Appointed as Company Secretary

Employees Stock Option Scheme

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

Payment or Benefit to 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 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 76 of this Prospectus.

OUR PROMOTERS/PROMOTER GROUP

The Promoters of our Company are:

	Mr. Mangal Sain Madaan , Aged 78, is the promoter, and Managing Director since January, 1997 of our company. He holds a Bachelor's Degree in Arts Stream from Punjab University. He possesses experience of 20 years in Cold Storage Industry. He has actively participated in the activities of various forums and platform of Cold Storage Industry. He offers his overall domain knowledge of the company. He is actively participated in the routine business activities of company and provides his valuable suggestion to the employees of the company.
Address	BG-192, Scheme No. 74, Vijay Nagar, Indore-452 010
Occupation	Business
Permanent Account Number	ACPPM27357
Passport Number	H7148103
Driving License Number	MP09R-2013-0533011
Aadhar Card Number	5947 9038 2970

	Mr. Aakarshit Madaan : Aged 28 is the executive director of the company. Aakarshit is representing the young face of the company, appointed as the Director to the Board of Director on July, 2017. He possesses the Bachelor's Degree of BFIA (Bachelor of Financial & Investment Analysis) from Amity College of Commerce & Finance, Amity University, Uttar Pradesh. In addition, he also possesses the Bachelor's Degree from Khalsa College of DAVV, Indore. He has looking various corporate and financial affairs of the company. He plays vital role in the in the routine working of the company.
Address	H No. 261, Gurutej Bahadur Nagar, Jalandhar-144 001
Occupation	Business
Permanent Account Number	BJNPM0206K
Passport Number	P9900786
Aadhar Card Number	9867 9856 2852

Other Undertakings and Confirmations

Our Company undertakes that the details of Permanent Account Number, Bank account number and Passport number of the Promoters will be submitted to the SME platform of NSE, where the equity shares of our Company are proposed to be listed at the time of submission of this Prospectus.

Common Pursuits of our Promoters

Our Promoter has not promoted any business which is engaged in the line of similar to our Company as on the date of this Prospectus.

For more details please refer to our chapter titled “*Our Promoters and Promoter Group*” & “*Group Companies/Entities*” on page 106 & 109 of this 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 47 and 97 respectively of this 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-XXVI of Related Party Transactions*” appearing under section titled “*Financial Information*” of the Company beginning on page 114 of this Prospectus, we have not entered into any contract, agreements or arrangements during the preceding two years from the date of this 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.

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 106 & 109 respectively of this 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 142 of this 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 Prospectus.

Related Party Transactions

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

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

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

Except as disclosed in the chapter titled ‘Risk Factor’ and ‘Outstanding Litigation and Other Material development’ beginning on page 142 provided below, our Promoters have not disassociated themselves from any companies during the three years preceding the date of this Prospectus.

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	Mangal Sain Madaan	Aakarshit Madaan
Father	-	-

Mother	-	Mrs. Reeta Madaan
Spouse	-	N.A.*
Brother(s)	-	N.A.*
Sister(s)	Mrs. Sudesh Dua	Ms. Nistha Madaan
Son	Mr. Naveen Madaan	N.A.*
Daughter(s)	-	N.A.*
Spouse Father	Mr. Bhagwant Lal	N.A.*
Spouse Mother	Mrs. Kaushlya Devi	N.A.*
Spouse Brother(s)	Mr. Rajendra Kumar	N.A.*
Spouse Sister(s)	Mrs Saroj Devi	N.A.*

*Not Applicable

2.) Companies, Proprietary concerns, HUF"s related to our promoters

Nature of Relationship	Entity
Any Body Corporate in which ten percent or more of the equity share capital is held by promoter or an immediate relative of the promoter or a firm or HUF in which promoter or any one or more of his immediate relative is a member	*
Any Body corporate in which Body Corporate as provided above holds ten percent or more of the equity share capital.	*
Any Hindu Undivided Family or firm in which the aggregate shareholding of the promoter and his immediate relatives is equal to or more than ten percent.	*

*For details on our Promoter Group refer Chapter Titled "Our Group Companies/Entities" beginning on page 109 of this Prospectus.

GROUP ENTITIES

In accordance with the provisions of the SEBI (ICDR) Regulations, for the purpose of identification of Group Companies, our Company has considered companies as covered under the applicable accounting standards, i.e. Accounting Standard 18 issued by the Institute of Chartered Accountant of India. Our Board vide a policy of materiality has resolved that except as mentioned in the list of related parties prepared in accordance with Accounting Standard 18 no other Company is material in nature.

Listed Companies within our Promoter Group:

There is no listed Group Company.

Unlisted Companies within our Promoter Group:

The details of our Group Companies are provided below:

1. Madaan Classic Developers Private Limited
2. Motel Rahans Private Limited
3. Punjabi Welfare Foundation

Following are the details of our unlisted Group Companies:

(i) Madaan Classic Developers Private Limited

Corporate Information:

Madaan Classic Developers Private Limited is a Private Limited company incorporated on January 19, 1996 under the provisions of Companies Act, 1956 having Registered Office at F-1 Chetak Arch, 7-M G Road, Indore- 452 001. The Current Paid Up Capital of ₹ 1.26 Lakhs. The Corporate Identification Number is U32204MP1996PTC010403.

Madaan Classic Developers Private Limited has been engaged in real estate business with its own capital without borrowing anything from outside. Looking to the downward trend of real estate, the company has kept all the projects on hold and as on date there is no operation in the account of real estate.

Additionally, the company tried to do air ticketing business but that was also discontinued as it was not found lucrative.

Board of Directors:

Sr. No.	Name of the Director	Designation
1)	Mr. Naveen Madaan*	Director
2)	Mr. Mangal Sain Madaan*	Director
3)	Mr. Aakarshit Madaan	Executive Director

* Since Mr. Naveen Madaan and Mr. Mangal Sain Madaan appointed as directors in year 1996 company do not have ROC appointment forms.

Shareholding as on date of this Prospectus:

Sr. No.	Name of the Shareholder	No of Shares held	% of total Paid-up Capital
1)	Mr. Naveen Madaan	6337	50%
2)	Mr. Mangal Sain Madaan	6337	50%
	TOTAL	12674	100.00

Audited financial information:

(₹ in Lakhs)

Particulars	2014-15	2015-16	2016-17
Paid Up Capital	1.26	1.26	1.26
Reserves & Surplus	134.86	132.12	132.20
Profit after Tax	0.07	(-2.73)	0.16



Net Asset Value (in ₹)	107.40	1052.00	1053.00
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(ii) Motel Rahans Private Limited

Motel Rahans Private Limited is a Private Limited company incorporated on May 24, 1989 under the provisions of Companies Act, 1956 having Registered Office at F-1, Chetak Arch, 7-M G Road, Indore- 452 001. The Current Paid Up Capital of the company is ₹12.25 Lakhs. The Corporate Identification Number is U55101MP1989PTC005272.

The company was formed with an object of doing Hotel Business. The promoters of the company have commenced developing a hotel on the piece of land admeasuring about 10,000 sq. ft. on Agra Bombay Highway in Indore. The promoters intend to lease out the property to Motel Rahans Pvt. Ltd. for the purpose of operation.

Board of Directors:

Sr. No.	Name of the Director	Designation
1)	Aakarshit Madaan	Executive Director
2)	Mr. Rajeshwar Nath Gurjar	Executive Director
3)	Mr. Naveen Madaan*	Director
4)	Mr. Mangal Sain Madaan	Executive Director

* Since Mr. Naveen Madaan was appointed as a director in the year 1998 and the company does not have ROC appointment forms.

Shareholding as on date of this Prospectus:

Sr. No.	Name of the Shareholder	No of Shares held	% of total Paid-up Capital
1)	Mr. Naveen Madaan	3946	32.21%
2)	Mr. Mangal Sain Madaan	4157	33.93%
3)	Mr. Ashok Madaan*	4147	33.85%
	TOTAL	12250	100.00

*Since died in the year 2004

Audited financial information:

Particulars	2014-15	2015-16	2016-17
Paid Up Capital	(-3.22)	(-4.33)	(-8.47)
Reserves & Surplus	(-15.47)	(-16.58)	(-20.72)
Profit after Tax	(-4.13)	(-1.10)	(-6.34)
Net Asset Value	(-26.33)	(-35.38)	(-69.17)

Corporate Information:

Punjabi Welfare Foundation

Punjabi Welfare Foundation is a Section 8 company incorporated on February 20, 2017 under the provisions of Companies Act, 2013 and has Registered Office at F-1 Chetak Arch, 7-M G Road, Indore- 452 001. The Current paid up capital is 1.00 Lakhs. The Corporate Identification Number is U85300MP2017NPL042693

Board of Directors:

Sr. No.	Name of the Director	Designation
1)	Mr. Naveen Madaan	Director
2)	Mr. Mangal Sain Madaan	Director
3)	Mr. Aakarshit Madaan	Director

Shareholding as on date of this Prospectus:

Sr. No.	Name of the Shareholder	No of Shares held	% of total Paid-up Capital
1)	Mr. Naveen Madaan	5,000	50.00%
2)	Mr. Mangal Sain Madaan	3,000	30.00%
3)	Mr. Aakarshit Madaan	2,000	20.00%
	TOTAL	10,000	100.00%

Audited financial information:

Since the LLP was formed on February 02, 2017, the Financial of the company is not yet audited and hence such details are not incorporated in the Draft Prospectus.

Related Party Transactions

For details on related party transactions please refer to ‘*Financial Statements, as Restated-Annexure XXVI Restated Statement of Related Parties Transactions*’ on page 131 of this Prospectus.

Defunct /Struck-off Company:

None of our Group Companies have remained defunct and no application has been made to the Registrar of Companies for striking off the name of any of our Group Companies during the five years preceding the date of filing the Prospectus with Stock Exchange.

Other Disclosures:

- 1) None of our Group Companies are under any winding up proceedings.
- 2) None of our Group Companies are listed on any of the Stock Exchanges and they have not made any public/rights issue in last five years. Further, no action has been taken against these companies by any Stock Exchange or SEBI.
- 3) Except Motel Rahans Private Limited, none of our Group Companies have negative Net Worth as per the last audited financial statements mentioned herein.
- 4) None of our Group Companies have any interest in the promotion of our Company.

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 XXVI Restated Statement of Related Parties Transactions*’ on page 131 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 XXVI – Restated Statement of Related Parties Transactions* on page 131.

Common Pursuits amongst the Group Companies with our Company

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-XXVI* of Restated Financial Statement under the section titled '*Financial Statements*' beginning on page 114 of this 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 CONSOLIDATED FINANCIALS STATEMENTS

Report of auditors on the restated summary statement of Assets and Liabilities for the year ended March 31 2018, 2017, 2016, 2015, and 2014, and Profits and Losses and Cash Flows for each of the years ended March 31 2018, 2017, 2016, 2015, and 2014 for Aakarshit Ice and Cold Storage Limited (collectively, the —Restated Summary Statements)

To,
The Board of Directors,
Aakarshit Ice and Cold Storage Limited,
F-1, Chetak Arch, 7-M G Road,
Indore, M.P.-452001

Dear Sir,

We have examined the attached restated summary statement of assets and liabilities of **Aakarshit Ice and Cold Storage Limited**, (hereinafter referred to as “**the Company**”) as on **March 31 2018, 2017, 2016, 2015, and 2014** Restated Summary Statement of Profit and Loss and Restated Summary Statement of Cash Flows for the period ended **March 31 2018, 2017, 2016, 2015, and 2014** (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 SME Platform of National Stock Exchange of India Limited (“**NSE**”).

- 1.) 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 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**”)
- 2.) We have examined such restated financial statements taking into consideration:
 - (i) The terms of reference to our engagement letter with the Merchant Banker requesting us to carry out the assignment, in connection with the Prospectus/ Prospectus being issued by the Company for its proposed Initial Public Offering of equity shares in SME Platform of NSE (“**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**”).
- 3.) The 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 **March 31 2018, 2017, 2016, 2015, and 2014**.
- 4.) In accordance with the requirements of the Act including the rules made there under, ICDR Regulations, Guidance Note and Engagement Letter, we report that:
 - (i) The “**Restated Statement of Asset and Liabilities**” of the Company as on **March 31 2018, 2017, 2016, 2015, and 2014** 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 **March 31 2018, 2017, 2016, 2015, and 2014** 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.

- (iii) The “**restated statement of cash flows**” of the Company for the period ended on **March 31 2018, 2017, 2016, 2015, and 2014** 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.

5.) Based on our examination, we are of the opinion that the restated financial statements have been prepared:

- Using consistent accounting policies for all the reporting periods.
- Adjustments for prior period and other material amounts in the respective financial years to which they relate.
- There are no extra-ordinary items that need to be disclosed separately in the accounts and requiring adjustments.

6.) Audit for the period ended on **March 31, 2018, 2017, 2016, 2015, and 2014** was conducted by PK Shishodiya & Co. The financial report included for these period is based solely on the report submitted by them.

7.) 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 **March 31 2018, 2017, 2016, 2015, and 2014** proposed to be included in the Prospectus / Prospectus (“**Offer Document**”).

Annexure to restated financial statements of the Company:

i.	Summary statement of assets and liabilities, as restated as appearing in ANNEXURE I to this report;
ii.	Summary statement of profit and loss, as restated as appearing in ANNEXURE II to this report;
iii.	Summary statement of cash flow as restated as appearing in ANNEXURE III to this report;
iv	Significant accounting policies as restated as appearing in ANNEXURE IV to this report;
V	Details of Property, Plant and equipment as restated as appearing in ANNEXURE V to this report;
Vi	Details of Non-Current Financial Assets as restated as appearing in ANNEXURE VI to this report;
Vii	Details of other Non-Current Assets as restated as appearing in ANNEXURE VII to this report;
Viii	Details of Inventories as restated as appearing in ANNEXURE VIII to this report;
Ix	Details of Current Financial Assets- Trade receivables as restated as per ANNEXURE IX to this report;
X	Details of other Current Financial Assets – Short Term Loans and Advances as restated as appearing in ANNEXURE X to this report;
Xi	Details of Equity share capital as restated as appearing in ANNEXURE XI to this report;
Xii	Details of other equity as restated as appearing in ANNEXURE XII to this report;
Xiii	Details of Non-Current Financial Liabilities as restated as appearing in ANNEXURE XIII to this report;
Xiv	Details of Deferred Tax Assets and Liabilities as restated as appearing in ANNEXURE XIV to this report;
Xv	Details of Current Financial Liabilities as restated as appearing in ANNEXURE XV to this report;
Xvi	Details of Other Current Liabilities as restated as appearing in ANNEXURE XVI to this report;
Xvii	Details of Provisions-Current Liabilities as restated as appearing in ANNEXURE XVII to this report;
Xviii	Details of Revenue from Operations as restated as appearing in ANNEXURE XVIII to this report;
Xix	Details of Other Income as restated as appearing in ANNEXURE XIX to this report;
Xx	Details of Purchases of Stock in Trade as restated as appearing in ANNEXURE XX to this report;
Xxi	Details of changes in Inventories of Finished Goods as restated as appearing in ANNEXURE XXI to this report;
Xxii	Details of Employee Benefit Expenses as restated as appearing in ANNEXURE XXII to this report;
Xxiii	Details of Finance Cost as restated as appearing in ANNEXURE XXIII to this report;
Xxiv	Details of Other Expenses Consumed as restated as appearing in ANNEXURE XXIV to this report;
Xxv	Details of Exceptional Items as restated as appearing in ANNEXURE XXV to this report;

Xxvi	Details of Related Party Transactions as restated as appearing in ANNEXURE XXVI to this report;
Xxvii	Summary of significant accounting ratios as restated as appearing in ANNEXURE XXVII to this report,
Xxviii	Details of Contingent Liabilities as restated as appearing in ANNEXURE XXVIII to this report;
Xxix	Notes on Reconciliation of Restated Profits as restated as appearing in ANNEXURE XXIX to this report;
Xxx	Capitalisation Statement as restated as appearing in ANNEXURE XXX to this report;
Xxxi	Statement of Tax shelters as restated as appearing in ANNEXURE XXXI to this report;

- 8.) 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.
- 9.) We have no responsibility to update our report for events and circumstances occurring after the date of the report.
- 10.) In our opinion, the above financial information contained in **Annexure I to XXXI** 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.
- (a.) 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.
- 11.) Consequently, the financial information has been prepared after making such re-groupings and adjustments as were, in our opinion, considered appropriate to comply with the same. As a result of this re-grouping and adjustments, the amount reported in financial information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.

For, P.K. Shishodiya & Company
Chartered Accountants

P.K. Shishodiya
Proprietor
Membership No. 036015
Firm Reg. No.03233C

Place: Indore
Date: August 16, 2018

Statement of Assets and Liabilities, as Restated as at 31st March
(₹ In Lakhs)

	Particulars	Annexure No.	2018	2017	2016	2015	2014
	ASSETS						
1	Non - current assets						
	(a) Property Plant and Equipment	V	684.95	620.78	335.69	309.73	260.31
	(b) Capital work-in-progress	V	-	83.54	2.46	-	74.14
	(c) Other Non-Current Assets	VI	26.98	76.98	26.71	26.71	26.71
	(d) Deferred tax assets (net)		-	-	-	-	-
	(e) Other non-current assets	VII	-	-	-	-	-
2	Current assets		-	-	-	-	-
	(a) Inventories	VIII	416.68	456.24	475.82	221.59	35.70
	(b) Financial assets	IX	711.16	564.61	98.72	159.43	139.87
	(c) Other current Assets	X	435.56	409.41	54.59	49.86	102.15
			2,275.32	2,211.55	993.99	767.32	638.89
	EQUITY AND LIABILITIES		-	-	-	-	-
	Equity		-	-	-	-	-
	(a) Equity Share capital	XI	101.00	101.00	101.00	101.00	101.00
	(b) Other Equity	XII	553.98	230.26	162.47	108.81	89.02
	LIABILITIES		-	-	-	-	-
1	Non-current liabilities		-	-	-	-	-
	(a) Financial Liabilities	XIII	384.00	596.69	80.14	101.42	135.16
	(b) Deferred tax liabilities (Net)	XIV	27.06	26.68	22.98	15.52	2.40
	(c) Provision for Gratuity		13.07	12.85	10.56	9.53	7.84
2	Current liabilities		-	-	-	-	-
	(a) Financial Liabilities	XV	1,089.46	1,149.49	515.29	344.57	265.25
	(b) Other current liabilities	XVI	62.61	55.50	73.39	73.89	32.75
	(c) Provisions	XVII	44.13	39.09	28.18	12.59	5.47
	Total Equity and Liabilities		2,275.32	2,211.55	993.99	767.32	638.89

Notes:

- The above statement should be read with the accounting policies as appearing in Annexure IV.*
- All the appropriate changes & regrouping has been done in restated financial statements according to the latest notification issued under the Companies Act. 2013, dated 6th April, 2016.*

Statement of Profit & Loss, as Restated for the year ended 31st March
(₹ In Lakhs)

	Particulars	Annexure No.	2018	2017	2016	2015	2014
1	Revenue From Operations	XVIII	2,545.56	2,516.14	1,812.80	1,000.72	459.93
2	Other Income	XIX	0.96	1.21	0.48	3.84	2.82
	Total Income		2,546.52	2,517.35	1,813.28	1,004.56	462.75
3	Expenses		-	-	-	-	-
	Purchase of Stock-in-Trade	XX	1,990.99	2,119.41	1,739.37	922.11	254.86
	Changes in Inventories of Finished goods	XXI	39.56	19.58	(254.23)	(185.90)	4.55
	Employee benefits expense	XXII	45.51	29.26	27.68	29.55	32.88
	Finance cost	XXIII	125.03	68.55	51.15	49.91	35.49
	Depreciation and amortization expense	V	49.61	36.03	33.34	25.22	20.58
	Other expenses	XXIV	137.96	148.64	138.38	122.29	91.20
	Total Expenses		2,388.67	2,421.47	1,735.69	963.17	439.57
4	Profit/(loss) before exceptional items and tax		157.86	95.88	77.59	41.39	23.18
5	Exceptional Items	XXV	-	-	-	-	0.45
6	Profit/(loss) before tax (5-6)		157.86	95.88	77.59	41.39	22.73
7	Tax expense:		-	-	-	-	-
	-Current tax		33.75	24.39	16.47	8.48	5.82
	-Deferred tax Liability/(Assets)	XIV	0.39	3.70	7.45	13.12	(5.94)
	- Earlier year taxes		-	-	-	-	0.49
8	Profit (Loss) for the year from continuing operations (7-8)		123.72	67.78	53.67	19.79	22.35
9	Profit/(loss) from discontinued operations		-	-	-	-	-
10	Tax expense of discontinued operations		-	-	-	-	-
11	Profit/(loss) from discontinued operations (after tax) (10-11)		-	-	-	-	-
12	Profit/(loss) for the year (9+12)		123.72	67.78	53.67	19.79	22.35
13	Earnings per equity share (for continuing operation):						
	(i) Basic		12.25	6.71	5.31	1.96	2.21
	(ii) Diluted		12.25	6.71	5.31	1.96	2.21

Notes:

3. The above statement should be read with the accounting policies as appearing in Annexure IV.
4. During the year the company has splitted its 1,00,995 equity shares of ₹ 100/- each, into 10,09,950 equity shares of ₹ 10/- each. To make it comparative earlier years EPS has also been calculated considering 10,09,950 number of equity shares.

Restated Cash Flow Statement

(₹ In Lakhs)

Particulars	For the Financial year ended on 31st March				
	2018	2017	2016	2015	2014
Cash Flow From Operating Activities :	157.86	95.88	77.59	41.39	22.73
Net Profit before tax and extraordinary item	-	-	-	-	-
Adjustments for :	-	-	-	-	-
Depreciation and amortization expenses	49.61	36.03	33.34	25.22	20.58
Finance Cost	125.03	68.55	51.15	49.91	35.49
Other Non-Operating (Receipts)/Payments	-	1.77	-	(0.09)	-
Interest Received	(0.91)	(1.17)	(0.48)	(3.65)	(2.61)
Operating Profit before Changes in Operating Assets & Liabilities	331.59	201.07	161.60	112.77	76.19
Adjustments for :					
Inventories	39.56	19.58	(254.23)	(185.90)	4.55
Trade Receivables	(339.47)	(221.74)	36.36	(105.48)	(1.49)
Other Current Assets	(28.18)	(359.96)	(4.53)	86.65	(5.62)
Other Non-current assets	50.00	(50.27)	-	-	(26.71)
Trade Payables	71.67	180.01	98.70	82.82	18.82
Other Current Liabilities	7.11	(17.89)	(0.50)	41.14	(0.57)
Short Term Provisions	5.04	10.91	15.59	7.12	(0.41)
Long Term Provisions	0.22	2.30	1.02	1.70	7.84
Changes in Operating Assets & Liabilities	(194.04)	(437.05)	(107.59)	(71.95)	(3.58)
Cash Flow from Extra-Ordinary Items	-	-	-	-	-
Cash generated from Operations	137.55	(235.98)	54.01	40.82	72.61
Taxes Paid/(refund)	33.75	24.39	16.47	8.48	6.32
Net Cash from Operating Activities	103.80	(260.37)	37.54	32.34	66.29
Cash Flow From Investing Activities :					
Changes In Capital work in progress	83.54	(81.07)	(2.46)	74.14	(20.61)
Fixed Assets Purchased (Net)	(113.78)	(329.15)	(59.30)	(77.94)	(40.69)
Fixed assets sold	-	6.26	-	3.40	-
Interest Received	0.91	1.17	0.48	3.65	2.61
Net Cash from Investing Activities	(29.34)	(402.80)	(61.28)	3.25	(58.69)
Cash Flow From Financing Activities :					
Proceeds from Issue of Shares	-	-	-	-	-
Proceeds from Short Term Borrowings	(131.70)	454.19	72.03	(3.51)	(45.07)
Proceeds from Long Term Borrowings	(12.68)	516.55	(21.28)	(33.74)	79.48
Finance Cost	(125.03)	(68.55)	(51.15)	(49.91)	(35.49)
Net Cash from Financing Activities	(269.41)	902.19	(0.40)	(87.16)	(1.08)
Net Increase/ (Decrease) in Cash & Cash Equivalents	(194.95)	239.02	(24.14)	(51.56)	6.51
Cash & Cash Equivalents at the beginning of the year	248.41	9.39	33.53	85.10	78.58
Cash & Cash Equivalents at the end of the year	53.45	248.41	9.39	33.53	85.10

Significant accounting policies as restated

1. **Accounting Standard 1: Disclosure of Significant Accounting Policies**
The financial statements are prepared under historical cost convention, on accrual basis, in accordance with the generally accepted accounting principles in India, the accounting standards issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 2013.
Consequent upon issuance of The Companies Act, 2013 ('The Act') the fixed assets are depreciated as per the useful life prescribed under the Act
2. **Accounting Standard 2 – Valuation of Inventory**
Inventory is valued at lower of cost or market value.
3. **Accounting Standard 4 – Contingencies and Events occurring after Balance Sheet date**
No such contingencies have occurred.
4. **Accounting Standard 5 – Net Profit or Loss for the period, prior period items and changes in accounting policies**
There is no change in accounting policies followed by the company. As regards prior period items, those have been earmarked.
5. **Accounting Standard 6 – Depreciation:**
Fixed Assets are depreciated on Straight Line Value Method. Depreciation is provided for as per the useful life specified in Schedule – II to the Companies Act, 2013.
Depreciation is provided on pro-rata basis from the date of addition.
6. **Accounting Standard 7 – Accounting for Construction Contracts**
The company has not entered into any construction contracts.
7. **Accounting Standard 9 – Revenue Recognition**
Sale of goods is recognized on dispatch to customers and net of discounts.
Rent and Interest income is recognized on a time proportion basis.
8. **Accounting Standard 10 – Accounting for Fixed Assets**
Fixed Assets are stated at cost of acquisition, less accumulated depreciation. Cost includes all expenses related to acquisition and installation of the concerned assets.
9. **Accounting Standard 11 – Accounting for effects of change in Foreign Exchange**
Transactions in foreign currency are recorded at exchange rates prevailing on the date of the transaction. Assets and Liabilities related to foreign currency transactions, remaining unsettled at the year end, are stated at the contracted rates, when covered under forward exchange contracts and at year end rates in other cases. The premium payable on forward foreign exchange contracts is amortized over the period of contract. Exchange gains /losses are recognized in the profit and loss account except for exchange differences relating to fixed assets, which are adjusted in the cost of assets.
10. **Accounting Standard 12 – Accounting for Government Grants**
No government grant has been received during the year.
11. **Accounting Standard 13 – Accounting for Investments**
Investments are classified into current and long-term investments. Long-term investments are carried at cost. Current investments are stated at lower of cost and net realizable value.
12. **Accounting Standard 14– Accounting for Amalgamations**
The company has not undergone any amalgamation.
13. **Accounting Standard 15 – Accounting for Retirement Benefits**
Company has provided for the gratuity, for all those employees who have completed their 5 years of service with the company as on 31st March, 2018.
14. **Accounting Standard 16 – Borrowing Costs**
Borrowing cost is normally recognised as an expense in the post operation period in which they are incurred and capitalized for pre-operation period. There is no borrowing during the year.
15. **Accounting Standard 18 – Related Party Disclosure**
 - A. **Related Parties:**

Key personnel	management personnel	Relatives	Other associates
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Aakarshit Madaan
M.S. Madaan

Anu Madaan
Naveen
Madaan

Motel Rahans Pvt. Ltd.
Madaan Classic Developers Private Ltd
Plum Sports Holdings Private Ltd

B. Related party transaction (₹ in lakhs)

S. No.	Particulars	Key Management Personnel	Relatives	Other associates
1.	Remuneration	20.00	23.75	--
2.	Loan given	--	--	60.28
3.	Repayment made	--	--	2.44
4.	Repayment receipts	1.84	1.27	20.27

16. Accounting Standard 19 – Leases

The Company has not entered into any agreement in the nature of Lease/leave and license.

17. Accounting Standard 20 – Earning per share

The company has disclosed Basic EPS as per the requirement.

	2017-18	2016-17
Weighted average number of shares at the beginning and end of the year	10,09,950	10,09,950

Net Profit after tax available for equity shares holders	1,23,72,424	67,78,466
Basic and diluted earnings per shares	12.25	6.71

During the year the company has splitted its 1, 00, 995 equity shares of ₹ 100/- each, into 10, 09, 950 equity shares of ₹ 10/- each. To make it comparative last year EPS has also been calculated considering 10, 09, 950 number of equity shares.

18. Accounting Standard 22 – Taxes on Income

Current tax is determined as the amount of tax payable in respect of taxable income for the year. The deferred tax for timing difference between the book and tax profit for the year is accounted using tax rates and tax laws that have been enacted or substantially enacted at the Balance Sheet date. Deferred Tax assets arising from the timing difference are recognized to the extent of reasonable certainty that sufficient future taxable income will be available.

19. Accounting Standard 26 – Intangible Assets

The company does not have any intangible assets.

20. Accounting Standard 28 – Impairment of Assets

The company assesses that there is no indication that any asset needs to be impaired.

21. Accounting Standard 29 – Provisions, Contingent Liabilities & Contingent Assets

	2018	2017
Contingent Liability/Assets	NIL	NIL

22. Capital Commitment

	2018	2017
Estimated amount of contracts remaining to be executed on capital account and not provided for	NIL	NIL

23. During the financial year, the company has received back-ended subsidy of ₹2.00 crore which has been reduced from the loan amount.

24. Company has been converted from Private to Public w.e.f. 25.07.2018, confirmed wide ROC Gwalior vide SRN G93609766 dated 25.07.2018.

25. In the opinion of the Board current assets, loans & advances have value of realization in the ordinary course of business at least equal to the amount of which they are stated and that provision for known liabilities is adequate and not in excess of the amount reasonably necessary.

26. Previous year figures have been re-grouped and re-arranged wherever considered necessary.



Annexure - V

Details of Property, Plant and equipment As Restated FY 2017-18

(₹ In Lakhs)

Depreciation	Gross Block (At Cost)				Depreciation				Net Block	
	As on 1.4.2017	Addition	Deletion	As on 31.03.2018	Up to 1.4.2017	For the period	Written back	As on 31.03.2018	As on 31.03.2018	As on 31.3.2017
Land	3.24	-	-	3.24	-	-	-	-	3.24	3.24
Building	436.72	104.00	-	540.72	59.52	16.19	-	75.71	465.01	377.20
Plant & machinery	252.91	9.79	-	262.70	145.31	7.59	-	152.91	109.79	107.59
Furniture & fixture	10.58	-	-	10.58	8.07	0.48	-	8.56	2.02	2.50
Office equipment	3.04	-	-	3.04	2.89	-	-	2.89	0.15	0.15
Computer	0.88	-	-	0.88	0.84	-	-	0.84	0.04	0.04
Vehicle	199.09	-	-	199.09	69.07	25.35	-	94.41	104.67	130.02
Vehicle - Tata 407	1.15	-	-	1.15	1.12	-	-	1.12	0.03	0.03
Total	907.61	113.78	-	1,021.40	286.84	49.61	-	336.45	684.95	620.78
Add : Capital work in progress/Advance/Pre-operative expenses									-	83.54
									684.95	704.31

FY 2016-17

(₹ In Lakhs)

Depreciation	Gross Block (At Cost)				Depreciation				Net Block	
	As on 1.4.2016	Addition	Deletion	As on 31.3.2017	Up to 1.4.2016	For the year	Written back	As on 31.3.2017	As on 31.3.2017	As on 31.3.2016
Land	3.24	-	-	3.24	-	-	-	-	3.24	3.24
Building	229.48	207.24	-	436.72	49.98	9.54	-	59.52	377.20	179.50
Plant & machinery	170.53	82.38	-	252.91	142.44	2.88	-	145.31	107.59	28.09
Furniture & fixture	10.58	-	-	10.58	7.60	0.47	-	8.07	2.50	2.98
Office equipment	3.04	-	-	3.04	2.09	0.80	-	2.89	0.15	0.95
Computer	0.88	-	-	0.88	0.84	-	-	0.84	0.04	0.04
Vehicle	175.32	39.53	15.76	199.09	54.46	22.34	7.73	69.07	130.02	120.85
Vehicle - Tata 407	1.15	-	-	1.15	1.12	-	-	1.12	0.03	0.03
Total	594.23	329.15	15.76	907.61	258.54	36.03	7.73	286.84	620.78	335.69
Add : Capital work in progress/Advance/Pre-operative expenses									83.54	2.46
									704.31	338.15

FY 2015-16

(₹ In Lakhs)

Depreciation	Gross Block (At Cost)				Depreciation				Net Block	
	As on 1.4.2015	Addition	Deletion	As on 31.3.2016	Up to 1.4.2015	For the year	Written back	As on 31.3.2016	As on 31.3.2016	As on 31.3.2015
Land	3.24	-	-	3.24	-	-	-	-	3.24	3.24
Building	229.48	-	-	229.48	41.00	8.99	-	49.98	179.50	188.49
Plant & machinery	168.93	1.60	-	170.53	140.10	2.33	-	142.44	28.09	28.82
Furniture & fixture	10.58	-	-	10.58	7.13	0.47	-	7.60	2.98	3.45
Office equipment	3.04	-	-	3.04	1.29	0.80	-	2.09	0.95	1.76
Computer	0.88	-	-	0.88	0.84	-	-	0.84	0.04	0.04
Vehicle	117.62	57.70	-	175.32	33.71	20.75	-	54.46	120.85	83.90
Vehicle - Tata 407	1.15	-	-	1.15	1.12	-	-	1.12	0.03	0.03
Total	534.92	59.30	-	594.23	225.19	33.34	-	258.54	335.69	309.73
Add : Capital work in progress/Advance/Pre-operative expenses									2.46	-
									338.15	309.73

FY 2014-15

(₹ In Lakhs)

Depreciation	Gross Block (At Cost)				Depreciation				Net Block	
	As on 1.4.2014	Addition	Deletion	As on 31.3.2015	Up to 1.04.2014	For the year	Written back	As on 31.3.2015	As on 31.3.2015	As on 31.03.2014
Land	3.24	-	-	3.24	-	-	-	-	3.24	3.24
Building	151.55	77.94	-	229.48	32.86	8.14	-	41.00	188.49	118.69
Plant & machinery	168.93	-	-	168.93	137.87	2.24	-	140.10	28.82	31.06
Furniture & fixture	10.58	-	-	10.58	6.66	0.47	-	7.13	3.45	3.92
Office equipment	3.04	-	-	3.04	0.49	0.80	-	1.29	1.76	2.56
Computer	0.88	-	-	0.88	0.84	-	-	0.84	0.04	0.04
Vehicle	126.20	-	8.59	117.62	25.43	13.57	5.28	33.71	83.90	100.77
Vehicle - Tata 407	1.15	-	-	1.15	1.12	-	-	1.12	0.03	0.03
Total	465.58	77.94	8.59	534.92	205.26	25.22	5.28	225.19	309.73	260.31
Add :Capital work in progress/Advance/Pre-operative expenses.									-	74.14
									309.73	334.46

FY 2013-14

(₹ In Lakhs)

Depreciation	Gross Block (At Cost)				Depreciation				Net Block	
	As on 1.4.2013	Addition	Deletion	As on 1.3.2014	Up to 1.04.2013	For the year	Written back	As on 1.03.2014	As on 1.03.2014	As on 1.03.2013
Land	3.24	-	-	3.24	-	-	-	-	3.24	3.24
Building	151.55	-	-	151.55	30.39	2.47	-	32.86	118.69	121.16
Plant & machinery	168.93	-	-	168.93	128.95	8.92	-	137.87	31.06	39.98
Furniture & fixture	10.58	-	-	10.58	5.99	0.67	-	6.66	3.92	4.59
Office equipment	3.04	-	-	3.04	0.29	0.19	-	0.49	2.56	2.75
Computer	0.88	-	-	0.88	0.84	-	-	0.84	0.04	0.04
Vehicle	85.51	40.69	-	126.20	17.11	8.32	-	25.43	100.77	68.41
Vehicle - Tata 407	1.15	-	-	1.15	1.12	-	-	1.12	0.03	0.03
Total	424.88	40.69	-	465.58	184.68	20.58	-	205.26	260.31	240.20
Add : Capital work in progress/Advance/Pre-operative expenses									74.14	53.53
									334.46	293.73

Annexure - VI

Details of Non-Current Financial Assets as restated

(₹ In Lakhs)

Particulars	2018	2017	2016	2015	2014
Loans and Advances[Unsecured, considered good]					
- Advances (Recoverable in cash or kind or for value to be received)	26.98	76.98	26.71	26.71	26.71
- Deposits	-	-	-	-	-
TOTAL	26.98	76.98	26.71	26.71	26.71

Annexure - VII

Details of Other Non-Current Assets As Restated

(₹ In Lakhs)

Particulars	2018	2017	2016	2015	2014
Other Non-Current Assets	-	-	-	-	-
TOTAL	-	-	-	-	-

Annexure -VIII

Details of Inventories As Restated

(₹ In Lakhs)

Particulars	2018	2017	2016	2015	2014
Stock-in-Trade	416.68	456.24	475.82	221.59	35.70
TOTAL	416.68	456.24	475.82	221.59	35.70

Annexure - IX

Details of Current Financial Assets as restated

Trade receivables

(₹ In Lakhs)

Particulars	2018	2017	2016	2015	2014
[Unsecured, considered good]					
Trade Receivables	649.93	310.46	88.72	125.08	19.60
TOTAL (A)	649.93	310.46	88.72	125.08	19.60

Cash & cash Equivalents

(₹ In Lakhs)

Particulars	2018	2017	2016	2015	2014
Balances with Banks	12.68	215.27	0.69	27.85	67.86
Cash in Hand	30.52	33.08	8.65	5.63	17.19
Fixed Deposits	10.25	0.05	0.05	0.05	0.05
TOTAL (B)	53.45	248.41	9.39	33.53	85.10

Loans

(₹ In Lakhs)

Particulars	2018	2017	2016	2015	2014
Advance to Suppliers	7.78	5.75	0.60	0.81	35.17
TOTAL (C)	7.78	5.75	0.60	0.81	35.17
GRAND TOTAL (A+B+C)	711.16	564.61	98.72	159.43	139.87

Annexure – X
Details of Other Current Financial Assets-Short Term Loans and Advances as restated
(₹ In Lakhs)

Particulars	2018	2017	2016	2015	2014
(i)Advances					
Unsecured and considered good (Recoverable in cash or kind or for value to be received)					
Related Parties	183.29	146.40	-	-	-
Others	235.32	248.01	39.69	38.65	91.08
(ii) Staff advances	2.26	1.62	0.81	0.31	0.06
(iii) VAT	1.66	0.49	0.57	0.49	0.49
(iv) Income Tax Refundable	1.49	1.49	4.16	4.16	4.16
(v) Prepaid Expenses	1.21	1.09	2.98	1.48	1.89
(vi) Security Deposits	10.32	10.32	6.38	4.78	4.48
TOTAL	435.56	409.41	54.59	49.86	102.15

Annexure – XI
Details of Equity Share capital as restated
(₹ In Lakhs)

Particulars	2018	2017	2016	2015	2014
(i) AUTHORISED					
55,50,000 Equity shares of ₹ 10/- each	555.00	110.00	110.00	110.00	110.00
(Earlier years 1,10,000 Equity Shares of ₹100/- each)					
(ii) ISSUED, SUBSCRIBED & PAID-UP	101.00	101.00	101.00	101.00	101.00
10,09,950 Equity Shares of ₹10/- each fully paid up in cash					
(Earlier years 1,00,995 Equity Shares of ₹100/- each)					
TOTAL	101.00	101.00	101.00	101.00	101.00

Reconciliation of number of shares outstanding at the end of the year:
(₹In Lakhs)

Particulars	2018	2017	2016	2015	2014
Equity Shares at the beginning of the year	1.01	1.01	1.01	1.01	1.01
Add: Existing equity shares of ₹ 100/- each splitted into Rs.10/- each	9.09	-	-	-	-
TOTAL	10.10	1.01	1.01	1.01	1.01

Details of Shareholders holding more than 5% of the aggregate shares of the Company:

Name of Shareholders	2018		2017		2016		2015		2014	
	No. of shares held	% of share holding	No. of shares held	% of share holding	No. of shares held	% of share holding	No. of shares held	% of share holding	No. of shares held	% of share holding
Madaan Classic Developers Private Limited	255,000	25.25%	25,500	25.25%	25,500	25.25%	25,500	25.25%	25,500	25.25%
Mangal Sain Madaan	222,500	22.03%	22,250	22.03%	22,250	22.03%	22,250	22.03%	22,250	22.03%
Naveen Madaan	201,000	19.90%	20,100	19.90%	20,100	19.90%	20,100	19.90%	20,100	19.90%
Aakarshit Madaan	199,600	19.76%	19,960	19.76%	19,960	19.76%	19,960	19.76%	19,960	19.76%
Total	878,100	86.94%	87,810	86.94%	87,810	86.94%	87,810	86.94%	87,810	86.94%

Annexure – XII
Details of Other Equity as restated
(₹ In Lakhs)

Particulars	2018	2017	2016	2015	2014
Balance as per last year	229.61	161.83	108.16	88.37	66.02
Add : Net Profit for the year	123.72	67.78	53.67	19.79	22.35
	353.33	229.61	161.83	108.16	88.37
Security Premium	0.65	0.65	0.65	0.65	0.65
Back-ended Subsidy	200.00	-	-	-	-
TOTAL	553.98	230.26	162.47	108.81	89.02

Annexure – XIII
Details of Non-Current Financial Liabilities as restated
(₹ In Lakhs)

Particulars	2018	2017	2016	2015	2014
Secured Loan :					
From Banks	548.51	554.55	28.32	8.38	18.25
Less: Back-ended Subsidy	(200.00)	-	-	-	-
From Finance company	15.31	19.50	29.18	34.19	34.28
Unsecured Loan (Interest free) :					
Inter Corporate Deposit	20.19	22.63	22.63	58.85	82.63
TOTAL	384.00	596.69	80.14	101.42	135.16

Annexure – XIV
Details of Deferred Tax Assets and Liabilities as restated
(₹ In Lakhs)

Particulars	2018	2017	2016	2015	2014
DEFERRED TAX (ASSETS)/LIABILITIES					
Balance as per last year	26.68	22.98	15.52	2.40	8.34
(Less)/Add : Liability /(Assets) for the year	0.39	3.70	7.45	13.12	(5.94)
TOTAL	27.06	26.68	22.98	15.52	2.40

Detailed calculation of Deferred tax (Assets)/Liability:
(₹ In Lakhs)

Particulars	2018	2017	2016	2015	2014
Difference related to WDV	118.18	99.19	84.92	82.19	76.19
Unabsorbed Depreciation /Losses	-	-	-	(22.42)	(60.57)
Provision for statutory dues	-	-	-	-	-
Provision for Gratuity	(13.07)	(12.85)	(10.56)	(9.53)	(7.84)
	105.11	86.34	74.36	50.24	7.78
	25.75%	30.90%	30.90%	30.90%	30.90%
Closing Balance of DTL/(DTA)	27.06	26.68	22.98	15.52	2.40
Opening Balance of DTL/(DTA)	26.68	22.98	15.52	2.40	8.34
(DTA)/DTL during the year	0.39	3.70	7.45	13.12	(5.94)

Annexure –XV
Details of Current Financial Liabilities as restated
(₹ In Lakhs)

Particulars	2018	2017	2016	2015	2014
Secured Borrowing :					
Loans repayable on demand from bank (OD limits)	518.63	651.97	286.31	226.14	229.03
Trade Payables	457.27	385.60	205.59	106.89	24.07
Current Maturities of Long Term Debts	113.56	111.92	23.39	11.54	12.16
TOTAL	1,089.46	1,149.49	515.29	344.57	265.25

Note: Overdraft Limit is secured by way of hypothecation of inventory, book debts and collateral security of fixed assets besides personal guarantee of some of the directors.

Annexure – XVI

Details of Other Current Liabilities as restated

(₹ In Lakhs)

Particulars	2018	2017	2016	2015	2014
Creditors for Fixed assets	9.59	13.45	1.76	1.33	5.88
Advance from Customers	22.70	19.20	26.27	27.47	0.11
Advance for property	-	-	-	11.30	-
Statutory Dues	9.40	14.77	8.58	0.43	-
Other Liabilities	20.92	8.08	36.77	33.36	26.75
TOTAL	62.61	55.50	73.39	73.89	32.75

Annexure – XVII

Details of Provisions-Current Liabilities as restated

(₹ In Lakhs)

Particulars	2018	2017	2016	2015	2014
Taxation	34.54	24.39	16.47	8.48	5.82
Less: Advance tax /TDS	(2.12)	(0.76)	(2.59)	(5.76)	(5.82)
Employee Expenses	4.62	2.44	2.29	2.30	1.37
Expenses	7.09	13.03	12.01	7.57	4.10
TOTAL	44.13	39.09	28.18	12.59	5.47

Annexure - XVIII

Details of Revenue from Operations as restated

(₹ In Lakhs)

Particulars	2018	2017	2016	2015	2014
Revenue From Operations					
Sales	2,424.14	2,394.17	1,694.22	870.87	341.28
Rental Income	121.42	121.97	118.58	129.84	118.65
TOTAL	2,545.56	2,516.14	1,812.80	1,000.72	459.93

Annexure - XIX

Details of Other Income as restated

(₹ In Lakhs)

Particulars	2018	2017	2016	2015	2014
Other Income					
Profit on sale of assets	-	-	-	0.09	-
Interest Income	0.91	0.87	0.48	3.65	2.61
Interest on IT Refund	-	0.30	-	-	-
Miscellaneous Income	0.06	0.05	-	0.10	0.21
TOTAL	0.96	1.21	0.48	3.84	2.82

Annexure – XX

Details of Purchases of Stock in Trade as restated

(₹ In Lakhs)

Particulars	2018	2017	2016	2015	2014
Purchases	1,990.99	2,119.41	1,739.37	922.11	254.86
TOTAL	1,990.99	2,119.41	1,739.37	922.11	254.86

Annexure – XXI

Details of Changes in Inventories of Finished Goods as restated

(₹ In Lakhs)

Particulars	2018	2017	2016	2015	2014
Opening stock					
Stock In trade	456.24	475.82	221.59	35.70	40.25
Closing stock					

Stock In trade	416.68	456.24	475.82	221.59	35.70
(Increase)/ decrease in Stock-in-Trade	39.56	19.58	(254.23)	(185.90)	4.55

Annexure – XXII

Details of Employee Benefit Expenses as restated

(₹ In Lakhs)

Particulars	2018	2017	2016	2015	2014
Salary, Wages, Bonus & Allowances	45.30	26.96	26.66	27.86	25.05
Provision for Gratuity	0.22	2.30	1.02	1.70	7.84
TOTAL	45.51	29.26	27.68	29.55	32.88

Annexure – XXIII

Details of Finance Cost as restated

(₹ In Lakhs)

Particulars	2018	2017	2016	2015	2014
Interest	124.57	60.95	49.51	48.79	33.63
Bank charges	0.46	7.60	1.64	1.12	1.87
TOTAL	125.03	68.55	51.15	49.91	35.49

Annexure – XXIV

Details of Other Expenses as restated

(₹ In Lakhs)

Particulars	2018	2017	2016	2015	2014
(a) Direct Exp.					
Power & fuel	88.06	65.15	57.95	46.73	39.44
Repair to plant & machinery	1.49	-	1.28	8.75	4.96
Freight, cartage, Hammali etc.	8.55	15.54	9.30	5.66	0.67
Oil & lubricants	1.49	2.25	1.52	2.18	4.43
Water charges	2.33	3.49	4.26	2.49	0.97
Salt expenses	0.23	-	0.86	0.45	0.17
Medical Expenses	2.43	-	-	-	-
Mandi Tax	0.42	0.20	-	-	-
Miscellaneous Expenses	0.72	0.58	5.18	-	-
(b) Office & Administrative exp.					
Advertisement Exp.	-	0.05	-	-	-
Vehicle running & maintenance	1.98	3.10	4.51	2.88	2.85
Hire charges	-	-	5.40	5.40	5.40
Insurance charges	4.44	6.26	4.97	4.27	3.63
Legal & professional charges	0.65	1.27	0.74	0.16	0.80
Security expenses	-	-	-	1.14	1.13
General repairs	0.79	0.60	2.26	3.59	1.11
Rates & taxes	-	1.25	0.42	0.56	3.46
Electricity expenses	0.83	0.81	0.80	1.40	0.61
Repair to building	0.39	-	1.01	3.24	0.44
Printing & stationery	0.04	0.23	0.29	0.27	0.19
Telephone	0.09	0.31	0.24	0.31	0.47
Donation	0.27	-	0.11	0.11	0.33
Processing Fee & Stamp Duty	1.23	0.25	-	-	-
Loss for Sale on Vehicle	-	1.77	-	-	-
Travelling expenses	0.13	-	-	-	-
Provision for TDS penalty & interest	-	5.52	-	-	-
(c) Selling & Distribution Expenses					
Packing material	0.07	-	0.05	0.16	0.06
Misc exp	0.06	1.08	0.45	0.72	1.10
(d) Other Expenses					
VAT / Entry Tax payment	0.51	2.03	-	-	-

Interest on payment of VAT	-	0.00	0.04	-	-
Interest on late payment of taxes	-	0.14	-	0.96	0.31
Auditor's remuneration :	-	-	-	-	-
Audit fee	0.50	0.50	0.50	0.50	0.35
Tax audit fee	0.15	0.15	0.15	0.15	0.15
IT return filing fee	0.10	0.10	0.10	0.10	0.10
Service tax	-	-	-	0.11	0.07
Directors' remuneration	20.00	36.00	36.00	30.00	18.00
TOTAL	137.96	148.64	138.38	122.29	91.20

Annexure – XXV

Details of Exceptional Items as restated

(₹ In Lakhs)

Particulars	2018	2017	2016	2015	2014
Prior Period Expenses	-	-	-	-	0.45
TOTAL	-	-	-	-	0.45

Annexure – XXVI

Details of Related Party Transactions as restated

(₹ In Lakhs)

Particulars	2018	2017	2016	2015	2014
Directors' Salary	20.00	36.00	36.00	30.00	18.00
Salary to relatives	23.75	9.00	9.00	9.00	6.00
Hire charges	-	-	5.40	5.40	5.40
Purchase/advance for purchases	-	-	-	35.00	38.99
Loan/ Advances given/Repayment made	62.73	141.42	36.22	23.78	-
Loan/ Advances taken/Repayment received	23.39	-	-	-	60.00
TOTAL	129.88	186.42	86.62	103.18	128.39

Annexure – XXVII

Details of Significant Accounting Ratios as restated

(₹ In Lakhs)

Particulars	2018	2017	2016	2015	2014
Restated PAT as per P& L Account	123.72	67.78	53.67	19.79	22.35
Weighted Average Number of Equity Shares at the end of the Year*	10.10	10.10	10.10	10.10	10.10
No. of Shares outstanding at the year end*	10.10	1.01	1.01	1.01	1.01
Net Worth	554.98	331.25	263.47	209.80	190.01
<u>Earnings Per Share:</u>					
Basic & Diluted	12.25	6.71	5.31	1.96	2.21
Return on Net Worth (%)	22.29%	20.46%	20.37%	9.43%	11.76%
Net Asset Value Per Share (Rs.)	54.95	32.80	26.09	20.77	18.81
Nominal Value per Equity share (Rs.)	10.00	100.00	100.00	100.00	100.00

Note: During the year 1, 00, 995 equity shares of Rs. 100/- each, are converted into 10, 09, 950 equity shares of Rs. 10/- each. To present EPS & Net assets value per share comparative earlier years EPS & Net assets value has been calculated considering 10,09,950 no. of equity shares.

Ratios have been calculated as below :-

- Basic and Diluted Earning Per Share (EPS) (Rs.)	=	$\frac{\text{Restated Profit after Tax Available to Equity Shareholders}}{\text{Weighted Average Number of Equity Shares at the end of the year/period}}$
- Return on Net Worth (%)	=	$\frac{\text{Restated Profit after Tax Available to Equity Shareholders}}{\text{Restated Net Worth of Equity Shareholders}}$

$$\text{- Net Assets Value Per Equity Share (₹)} = \frac{\text{Restated Net Worth of Equity Shareholders}}{\text{Number of Equity Shares Outstanding at the end of the year/period}}$$

Annexure – XXVIII

Details of Contingent Liabilities as restated

(₹ In Lakhs)

Particulars	2018	2017	2016	2015	2014
Guarantees	-	-	-	-	-

Annexure – XXIX

Notes on Reconciliation of Restated Profits as restated

(₹ In Lakhs)

Particulars	2018	2017	2016	2015	2014
Net profit/(Loss) after Tax as per Audited Profit & Loss Account	109.32	74.89	51.51	24.37	27.22
Adjustments for:	-	-	-	-	-
Provision for Gratuity	12.85	(2.30)	(1.02)	(1.70)	(7.84)
Deferred Tax	(3.97)	0.71	3.18	(2.89)	2.97
Provision for TDS panalty & interest	5.52	(5.52)	-	-	-
Net Profit/ (Loss) After Tax as Restated	123.72	67.78	53.67	19.79	22.35

Annexure – XXX

Capitalization Statement as restated

(₹ In Lakhs)

Particulars	Pre Issue	Post Issue
Borrowings:		
Short term debt (A)	632.19	-
Long term debt (B)	484.00	-
Total debts (C)	1,116.20	-
Shareholders' funds:		
Equity share capital	101.00	-
Reserve and surplus - as restated	453.98	-
Total shareholders' funds	554.98	-
Long term debt / shareholders funds	0.87	-
Total debt / shareholders funds	2.01	-

- The Post Issue Capitalisation Statement assumes that Debt Level of the company to be same as that of July 31, 2018

Annexure - XXXI

Statement of Tax shelters as restated

(₹ In Lakhs)

Particulars	2018	2017	2016	2015	2014
Restated Profit before tax (A)	157.86	95.88	77.59	41.39	22.73
Tax Rate (%)	25.75%	33.06%	33.06%	32.45%	32.45%
Adjustments :					
Permanent Differences(B)	-	-	-	-	-
Interest on late payment of taxes	-	0.15	0.04	0.96	0.31
Loss on disposal of assets	-	1.77	-	-	-
Prior Period Expenses	-	5.52	-	-	0.45
Donation	-	-	0.11	0.11	0.33
Total Permanent Differences(B)	-	7.44	0.15	1.07	1.09

Permanent Differences(C)	-	-	-	-	-
Income credited in books but not taxable	-	-	-	(0.09)	-
Total Permanent Differences(c)	-	-	-	(0.09)	-
Timing Differences (D)	-	-	-	-	-
Difference between tax depreciation and book depreciation	(18.99)	(16.05)	(2.73)	(5.91)	(3.46)
Difference due to expenses allowable/disallowable u/s 43B	0.22	2.30	1.02	1.70	7.84
Total Timing Differences (D)	(18.77)	(13.75)	(1.70)	(4.21)	4.38
Net Adjustments E = (B+C+D)	(18.77)	(6.31)	(1.56)	(3.24)	5.46
Tax expense / (saving) thereon	-	-	-	-	-
Income chargeable under the head HOUSE PROPERTY(F)	-	-	-	-	-
Income chargeable under the head CAPITAL GAINS (F)	-	-	-	-	-
Income chargeable under the head OTHER SOURCES (G)	-	-	-	-	-
Deduction under Chapter VI-A (H)	-	-	-	-	-
Total Income	139.09	89.57	76.04	38.15	28.19
Brought Forward Losses/Depreciation	-	-	22.42	60.57	88.76
Taxable Income/(Loss) (A+E+F+G+H)	139.09	89.57	53.62	-	-
Taxable Income/(Loss) as per MAT	158.08	98.18	78.62	43.08	30.57
Income Tax as returned/computed for the year	33.75	24.39	16.47	8.48	5.82
Tax paid as per normal or MAT	Normal	Normal	Normal	MAT	MAT

FINANCIAL INDEBTEDNESS

Set forth below, is a brief summary of our Company's borrowings as on March 31, 2018 together with a brief description of certain significant terms / material covenants of the relevant financing arrangements.

Name of Lenders	Type of Loan	Date of Sanction	Amount Sanctioned (Rs. In Lacs)	Amount Outstanding as at 31 st March 2018 (Rs. In Lacs)	Interest/ Commission (in % p.a.)	Security	Tenor/Repayment Schedule
Punjab National Bank	Overdraft against immovable property	31 st December, 2016	300.00	264.30	11.15% p.a.	Fixed assets of the company and some collateral securities & personal guarantee of some of the directors of the company.	Repayable in 2,50,000/- equal monthly installments commencing from July-2017 Last installment due in June-2017
Punjab National Bank	Overdraft against tangible security	29 th September, 2016	650.00	518.63	12.25% p.a.	Fixed assets of the company and some collateral securities & personal guarantee of some of the directors of the company.	Repayable on demand
Punjab National Bank	Term Loan	29 th September, 2016	350.00	336.24	9.95%	Fixed assets of the company and some collateral securities & personal guarantee of some of the directors of the company.	Repayable in 12,50,000/- equal quarterly installments commencing from 1st quarter June-2017. Last installment due in Mar.-2024
HDFC Bank	Vehicle loan	20 th March, 2012	25.00	1.10	11.52% p.a.	Hypothecation of the Car funded & personal guarantee of some of the directors.	Repayable in 55,140/- equal monthly installments commencing from May-2012. Last installment due in April-2017.
HDFC Bank	Vehicle loan	3 rd June, 2015	45.65	17.21	9.85% p.a.	Hypothecation of the Car funded & personal guarantee of some of the	Repayable in 1,15,250/- equal monthly installments commencing from July-2015. Last installment due in June-2019.

						directors	
Magma Finance Ltd	Vehicle loan	20 th December, 2011	4.50	0.31	23.84% p.a.	Hypothecation of the Car funded & personal guarantee of some of the directors.	Repayable in 30,900/- equal monthly installments commencing from Jan.-2012. Last installment due in June-2016.
Volkswan Finance Private Limited	Vehicle loan	10 th March, 2014	35.00	24.99	11.75% p.a.	Hypothecation of the Car funded & personal guarantee of some of the directors.	Repayable in 80,654/- equal monthly installments commencing from April-2014. Last installment due in March-2021
Axis Bank	Vehicle loan	27 th December, 2016	8.00	6.82	9.88% p.a.	Hypothecation of the Car funded & personal guarantee of some of the directors.	Repayable in 16,950/- equal monthly installments commencing from Jan.-2017. Last installment due in Dec.-2021.
HDFC Bank	Vehicle loan	1 st September, 2016	5.50	3.95	14.51% p.a.	Hypothecation of the Car funded & personal guarantee of some of the directors.	Repayable in 15,170/- equal monthly installments commencing from Oct.-2016. Last installment due in Sept.-2020
State Bank of India	Vehicle Loan	12 th August, 2016	27.00	22.46	8.60% p.a.	Hypothecation of the Car funded & personal guarantee of some of the directors.	Repayable in 44,406/- equal monthly installments commencing from Aug.-2016. Last installment due in July-2021.

Set forth below, is a brief summary of our Company's borrowings as on March 31, 2018 together with a brief description of certain significant terms / material covenants of the relevant financing arrangements.

Details of Secured Loans

Nature of Borrowing	Amount Outstanding as at 31 March, 2018 (Rs. in Lakhs)
Secured Borrowings	1196.01
Unsecured Borrowings*	20.18
Total	1216.19

Details of Unsecured Loans

Name of Lender	Amount outstanding as on 31/03/2018
Inter-corporate deposits	(₹ in Lakhs)
Satelight City Homes Pvt. Ltd.	20.00
Madaan Classic Dev. Pvt. Ltd.	0.18
Total	20.18



MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

You should read the following discussion of our financial condition and results of operations together with our restated financial statements included in the Draft Prospectus. You should also read the section entitled “Risk Factors” beginning on page no 14, which discusses a number of factors, risks and contingencies that could affect our financial condition and results of operations. The following discussion relates to our Company and, is based on our restated financial statements, which have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI Regulations. Portions of the following discussion are also based on internally prepared statistical information and on other sources. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year (“Fiscal Year”) are to the twelve-month period ended March 31 of that year.

Business Overview

Our Company was incorporated as ‘Aakarshit Ice and Cold Storage Private Limited’ as a private limited company under the Companies Act, 1956 pursuant to Certificate of Incorporation dated January 03, 1997 issued by the Registrar of Companies, Gwalior, Madhya Pradesh.

Subsequently, our Company was converted into a public limited company under the Companies Act and the name of our Company was changed to ‘Aakarshit Ice and Cold Storage Limited’ pursuant to fresh certificate of incorporation consequent upon change of name on conversion to public limited company dated July 16, 2018 issued by the Registrar of Companies, Gwalior, Madhya Pradesh. Our company has been promoted by Shri Mangal Sain Madaan, who has more than 20 years of experience in this industry. He is ably supported by Mr. Aakarshit Madaan, Executive Director. We provide services of cold storage and engaged in trading of agricultural commodities.

OUR SIGNIFICANT ACCOUNTING POLICIES

For Significant accounting policies, please refer “Significant Accounting Policies” beginning under Chapter titled “Auditors Report And Financial Information Of Our Company” beginning on page no. 114 of this Draft Prospectus.

DISCUSSION OF RESULT OF OPERATION

The following discussion on result of operations should be read in conjunction with the restated financial statements of our Company for the financial years ended March 2018, March 2017 and March 2016

OVERVIEW OF REVENUE & EXPENDITURE

Revenues:

Income from operations:

Our principal component of revenue from operations is from income from cold storage and trading of agro commodities.

Other Income:

Our other income mainly includes interest income.

RESULTS OF OUR OPERATION

(₹ In Lakhs)

Particular	2018	2017	2016	2015	2014
Income					
Revenue from Operations	2,545.56	2,516.14	1,812.80	1,000.72	459.93
As a % of Total Revenue	99.96%	99.95%	99.97%	99.62%	99.39%

Other Income	0.96	1.21	0.48	3.84	2.82
As a % of Total Revenue	0.04%	0.05%	0.03%	0.38%	0.61%
Total Revenue	2,546.52	2,517.35	1,813.28	1,004.56	462.75

Expenditure:

Our total expenditure primarily consists of purchase of stock in trade, cost of materials consumed, employee benefit expenses, finance cost, depreciation and other expenses.

Employee benefits expense

Our employee benefits expense primarily comprise of salaries and wages expenses and staff welfare expenses.

Depreciation & Amortization

Depreciation includes depreciation on tangible assets like building, furniture & fixtures, computers and office equipment, vehicles etc. Amortization includes amortization of intangible assets.

Other Expenses

Other expenses include the following:

- Direct expenses such as Power & fuel, Repair to plant & Machinery, Freight etc.
- Administrative and other expenses such as insurance, traveling expenses, Legal and professional expenses, vehicle running expenses, electricity charges etc.
- Selling and distribution expenses like Packing material and miscellaneous expenses.
- Other expenses like Audit fees, VAT, entry tax etc.

Statement of profits and loss

The following table sets forth, for the fiscal years indicated, certain items derived from our Company's audited consolidated restated financial statements, in each case stated in absolute terms and as a percentage of total sales and/or total revenue:

Particulars	For the year ended March 31,							
	2018	%	2017	%	2016	%	2015	%
Revenue:								
Revenue From Operations (Net of Taxes)	2,545.56	99.96%	2,516.14	99.95%	1,812.80	99.97%	1,000.72	99.62%
Other Income	0.96	0.04%	1.21	0.05%	0.48	0.03%	3.84	0.38%
Total Revenue	2,546.52	100.00%	2,517.35	100.00%	1,813.28	100.00%	1,004.56	100.00%
Expenses:								
Purchase of Stock-in-Trade	1,990.99	78.18%	2,119.41	84.19%	1,739.37	95.92%	922.11	91.79%
Changes in Inventories of Finished goods	39.56	1.55%	19.58	0.78%	-254.23	-14.02%	-185.9	-18.51%
Employee benefits expense	45.51	1.79%	29.26	1.16%	27.68	1.53%	29.55	2.94%
Finance cost	125.03	4.91%	68.55	2.72%	51.15	2.82%	49.91	4.97%

Depreciation and amortization expenses	49.61	1.95%	36.03	1.43%	33.34	1.84%	25.22	2.51%
Others Expenses	137.96	5.42%	148.64	5.90%	138.38	7.63%	122.29	12.17%
Total Expenses	2,388.66	93.80%	2,421.47	96.19%	1,735.69	95.72%	963.18	95.88%
Profit before exceptional items and tax	157.86	6.20%	95.88	3.81%	77.59	4.28%	41.38	4.12%
Less: Exceptional Items	0		0		0	-	0	
Profit before extraordinary items and tax (A-B)	157.86	6.20%	95.88	3.81%	77.59	4.28%	41.38	4.12%
Prior Period Items	-		-	-	-	-	-	
Extra ordinary items	-		-	-	-	-	-	
Profit before tax	157.86	6.20%	95.88	3.81%	77.59	4.28%	41.38	4.12%
Tax expense :								
Current tax	33.75	1.33%	24.39	0.97%	16.47	0.91%	8.48	0.84%
Deferred Tax	0.39	0.02%	3.70	0.15%	7.45	0.41%	13.12	1.31%
Profit/(Loss) for the period After Tax-PAT	123.72	4.86%	67.79	2.69%	53.67	2.96%	19.78	1.97%

COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2018 WITH FINANCIAL YEAR ENDED MARCH 31, 2017

INCOME

Income from Operations

Our principal component of income from operations is rental income and sale of traded goods kept in store. The operating income of the Company for the year ending March 31, 2018 is ₹2,545.56 Lakhs as compared to ₹2,516.14 Lakhs for the year ending March 31, 2017. The increase is negligible and working out 1.17%.

Other Income

Our other income includes mainly interest income and miscellaneous income. The other income has decreased from ₹1.21 Lakhs to ₹0.96 Lakhs. The decrease is moderate and mainly due to interest on IT Refund amounting to ₹ 0.30 Lakhs received during the year 2016-17.

Purchase of Stock-in-Trade

The company does seasonal buying of agro commodities and keeps the stock in store which is sold in off season. During the year 2017-18, there was purchase of stock in trade amounting to ₹1,990.99 Lakhs as against previous year purchase of ₹2,119.41 Lakhs. It has decreased on account of economic buying and part consumption of stock in trade.

Changes in Inventories of Stock in Trade

Inventory of Stock in Trade has decreased by ₹39.56 Lakhs in FY 2017-18 as against ₹19.58 Lakhs in previous year.

Employee benefits expense

Employee cost is the expenditure incurred on employees and comprises salaries, wages and allowances, contributions to provident fund and other funds, gratuity payments and staff welfare. The employee cost has gone upto ₹45.51 Lakhs during the year 2017-18 as against previous year amount of ₹29.26 Lakhs. The increase is due to appointment of more employees for undertaken expansion.

Finance cost

Our finance cost which consists of interest on term loan / working capital loan, bank processing fees and other bank charges increased from ₹.68.55 Lakhs to ₹ 125.03 Lakhs on account of increase in borrowing for expansion.

Depreciation and Amortisation

Depreciation includes depreciation on tangible assets like building, plant and machinery, furniture and fixtures, vehicles etc. There has been an increase in Depreciation Cost in the financial year 2017-18 on account of addition to fixed assets.

Others Expenses

Our other expenses have reduced to ₹ 137.96 Lakhs in financial year 2017-18 from ₹ 148.64 Lakhs in financial year 2016-17. The reduction in terms of %age works out to 7.19%. The decrease is on account of reduction in Entry tax/ VAT and other miscellaneous expenses.

Profit Before Tax

Profit before tax is increased by 64.64% from ₹95.88 Lakhs in financial year 2016-17 to ₹157.86 Lakhs in financial year 2017-18 due to improved margins and controlling of expenses.

Profit After Tax

Our profit after tax increased by 82.53% from ₹67.78 Lakhs in financial year 2016-17 to ₹ 123.72 Lakhs in financial year 2017-18. This increase is on account of economic buying and controlling of expenses.

COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2017 WITH FINANCIAL YEAR ENDED MARCH 31, 2016

INCOME

Income from Operations

Our principal component of income from operations is rental income and sale of traded goods kept in store. The operating income of the Company for the year ending March 31, 2017 is ₹2,516.14 Lakhs as compared to ₹1,812.80 Lakhs for the year ending March 31, 2016. The increase is 38.80% due to increase in volume and trade.

Other Income

Our other income includes mainly interest income and miscellaneous income. The other income has increased from ₹ 0.48 Lakhs to ₹1.21 Lakhs. The increase is mainly due to interest on IT refund.

Purchase of Stock-in-Trade

The company does seasonal buying of agro commodities and keeps the stock in store which is sold in off season. During the year 2016-17, there was purchase of stock in trade amounting to ₹2,119.41 Lakhs as against previous year purchase of ₹1,739.37 Lakhs due to increase in business volume.

Changes in Inventories of Stock in Trade

Inventory of Stock in Trade has decreased by ₹19.58 Lakhs in FY 2016-17 as against ₹(254.23) Lakhs in previous year due to lower closing stock at the year end compared to previous year.

Employee benefits expense

Employee cost is the expenditure incurred on employees and comprises salaries, wages and allowances, contributions to provident fund and other funds, gratuity payments and staff welfare. The employee cost has gone up to ₹ 29.26Lakhs during the year 2016-17 as against previous year amount of ₹27.68 Lakhs. The increase is due to increment in salaries.

Finance cost

Our finance cost which consists of interest on term loan / working capital loan, bank processing fees and other bank charges increased from ₹51.15 Lakhs to ₹ 68.55 Lakhs on account of increased borrowing for expansion.

Depreciation and Amortisation

Depreciation includes depreciation on tangible assets like building, plant and machinery, furniture and fixtures, vehicles etc. There has been an increase in Depreciation Cost in the financial year 2016-17 on account of addition of fixed assets.

Others Expenses

Our other expenses have increased to ₹ 148.64 in the financial year 2016-17 from ₹ 138.38 in the financial years 2015-16. The increase in %age terms it works out about 7.41%. The increase is on account of increase in business volume.

Profit Before Tax

Profit before tax increased by 23.57% from ₹77.59 Lakhs in financial year 2015-16 to ₹95.88 Lakhs in financial year 2016-17 due to increase in revenue from operations.

Profit after Tax

Our profit after tax increased by 20.7% from ₹53.67 Lakhs in financial year 2015-16 to ₹ 67.78 Lakhs in financial year 2016-17. This increase was in line with increase in income from operations.

COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2016 WITH FINANCIAL YEAR ENDED MARCH 31, 2015

INCOME

Income from Operations

Our principal component of income from operations is rental income and sale of traded goods kept in store. The operating income of the Company for the year ending March 31, 2016 is ₹1,812.80 Lakhs as compared to ₹1,000.72 Lakhs for the year ending March 31, 2015. The increase is 81.15% due to increased business volume.

Other Income

Our other income includes mainly interest income and miscellaneous income. The other income has reduced from ₹ 3.84 Lakhs to ₹0.48 Lakhs. This reduction is in interest income.

Purchase of Stock-in-Trade

The company does seasonal buying of agro commodities and keeps the stock in store which is sold in off season. During the year 2015-16, there was purchase of stock in trade amounting to ₹ 1739.37 Lakhs as against previous year purchase of ₹922.11Lakhs. It has increase due to increase in business volume.

Changes in Inventories of Stock in Trade

Inventory of Stock in Trade has increase by 36.76% in FY 2015-16 ₹ (254.23) in as against ₹ (185.90) Lakhs in previous year.

Employee benefits expense

Employee cost is the expenditure incurred on employees and comprises salaries, wages and allowances, contributions to provident fund and other funds, gratuity payments and staff welfare. The employee cost has reduced up to ₹27.68 Lakhs during the year 2015-16 as against previous year amount of ₹29.55 Lakhs. The increase is due to effective management of employees.

Finance cost

Our finance cost which consists of interest on term loan / working capital loan, bank processing fees and other bank charges increased from ₹49.91Lakhs to ₹ 51.15 Lakhs on account of increased borrowing.

Depreciation and Amortisation

There has been an increase in Depreciation Cost in the financial year 2016-17 on account of addition of fixed assets.

Others Expenses

Our other expenses have increased to ₹ 138.38 Lakhs in the financial year 2016-17 from ₹ 122.29 Lakhs in the financial years 2015-16. The increase in %age terms it works out about 13.16%. The increase is on account of increase in business volume.

Profit Before Tax

Profit before tax increased by 87.51% from ₹41.38 Lakhs in financial year 2014-15 to ₹77.59 Lakhs in financial year 2015-16 due to improved margin and controlling of expenses.

Profit after Tax

Our profit after tax increased by 171.33% from ₹19.78 Lakhs in financial year 2014-15 to ₹ 53.67 Lakhs in financial year 2015-16. This increase was in line with increase in income from operations, improved margin and controlling of expenses

FACTORS THAT MAY AFFECT THE RESULTS OF THE OPERATIONS:

1. Unusual or infrequent events or transactions.

There have been no unusual or infrequent events or transactions that have taken place during the last three years to the best of our knowledge.

2. Significant economic changes that materially affected or are likely to affect income from continuing operations.

Our business has been subject to and we expect it to continue to be subject to significant economic changes arising from the trends identified above in “Factors Affecting our Results of Operations” and the uncertainties described in the section entitled “Risk Factors” beginning on page no.14 of this Draft Prospectus. There are no known factors which we expect to bring about significant economic changes to the best of our knowledge

3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.

Apart from the risks as disclosed under Section titled “Risk Factors” beginning on page no. 14 in this Draft Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

4. Future changes in relationship between costs and revenues, in case of events such as future increase in labor or material costs or prices that will cause a material change are known.

To the best of our knowledge, there are no future relationship between cost and income that would be expected to have a material adverse impact on our operations and revenues. However, increase in the cost of the services in which the Company deals, will affect the profitability of the Company. Further, the Company may not be able to pass on the increase in prices of the services to the customers in full and this can be offset through cost reduction.

5. Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or increased sales prices.

Increases in revenues are by and large linked to increases in volume of business.

6. Total turnover of each major industry segment in which the issuer company operated.

The Company is operating single business segment i.e. Cold Storage. Relevant industry data, as available, has been included in the chapter titled “Our Industry” beginning on page 68 of this Draft Prospectus.

7. Status of any publicly announced new products or business segment.

Our Company has not announced any new projects or business segments, other than disclosed in this Draft Prospectus.

8. The extent to which business is seasonal.

Our Company’s Business is seasonal in nature.

9. Any significant dependence on a single or few suppliers or customers.

We are not under threat of dependence from any single supplier or customer.

10. Competitive conditions:

The market is highly competitive and fragmented, and we face competition from various domestic Cold Storage situated in the vicinity. Some of our competitors have greater financial, marketing, sales and other resources than we do. Competition in certain markets may have a material adverse effect on our operations in that market.



We believe that we compete favorably with our principal competitors in each of these areas. We also believe that our impeccable track record provides us with a competitive advantage that enables us to compete effectively.

Significant Material Developments Subsequent To the Last balance sheet i.e. March 31, 2018

To our knowledge, except as disclosed in this Draft Prospectus, there is no subsequent development after the date of our financial statements contained in this Draft Prospectus which materially affects, or is likely to affect, our operations or profitability, or the value of our assets, or our ability to pay our material liabilities within the next 12 months.

SECTION VI - LEGAL AND OTHER INFORMATION OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

[Except, as stated below]¹, there are no:

- (I) (a) criminal proceedings; (b) actions by statutory or regulatory authorities; (c) claims relating to direct and indirect taxes; or (iv) Material Litigation (as defined below); involving our Company, Directors, Promoters and Group Companies.
- (II) (a) litigation or legal actions, pending or taken, by any Ministry or department of the Government or a statutory authority against our Promoters during the last five years; (b) pending proceedings initiated against our Company for economic offences; (c) default and non-payment of statutory dues by our Company; (d) inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous companies law in the last five years against our Company; or (e) material frauds committed against our Company in the last five years.
- (III) (a) Outstanding Material Dues (as defined below) to creditors; or (b) outstanding dues to small scale undertakings and other creditors.

Our Board, in its meeting held on:

- (I) August 06, 2018 determined that outstanding legal proceedings involving the Company, its Directors, Promoters and Group Companies where the aggregate amount involved, in such litigation exceeds 1% of the turnover of the company will be considered as material litigation (“**Material Litigation**”); and
- (II) August 06, 2018 determined that outstanding dues to creditors in excess of 10 % of total outstanding trade payable shall be considered as material dues (“**Material Dues**”).

Details of outstanding dues to creditors (including micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006) as required under the SEBI Regulations have been disclosed on our website at www.aakarshiticeandcoldstorage.com Information provided on the website of our Company is not a part of this draft Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company’s website, would be doing so at its own risk.

Our Company, Directors, Promoters and Group Companies have not been declared as willful defaulters by the RBI or any government authority and there have been no violations of securities laws in the past or pending against them.

(I) LITIGATIONS INVOLVING THE COMPANY

A. Litigations Against the Company

- 1. Litigation Involving Criminal Proceedings: **Nil**
- 2. Litigation Involving Actions by Statutory/Regulatory Authorities: **Nil**
- 3. Litigation Involving Taxation Matters: **Nil**
- 4. Other Pending Litigations: **Nil**
- 5. Proceeding under the Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and the Income Declaration Scheme Rule, 2016: **Nil**

B. Litigations By the Company

- 1. Litigation Involving Criminal Proceedings **Nil**
-

2. Litigation Involving Actions by Statutory/Regulatory Authorities: **Nil**
3. Litigation Involving Taxation Matters:
 - (i) Direct tax matters: **Nil**
 - (ii) Indirect tax matters: **Nil**
4. Other Pending Litigations: **Nil**
5. Proceeding under the Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and the Income Declaration Scheme Rule, 2016: **Nil**

(II) LITIGATIONS INVOLVING THE DIRECTORS

A. Litigations Against the Directors

1. Litigation Involving Criminal Proceedings: **Nil**
2. Litigation Involving Actions by Statutory/Regulatory Authorities: **Nil**
3. Litigation Involving Taxation Matters:
 - (i) Direct tax matters: **Nil**
 - (ii) Indirect tax matters: **Nil**
4. Other Pending Litigations: **Nil**
5. Proceeding under the Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and the Income Declaration Scheme Rule, 2016: **Nil**

B. Litigations By the Directors

1. Litigation Involving Criminal Proceedings: **Nil**
2. Litigation Involving Actions by Statutory/Regulatory Authorities: **Nil**
3. Litigation Involving Taxation Matters:
 - (i) Direct tax matters: **Nil**
 - (ii) Indirect tax matters: **Nil**
4. Other Pending Litigations: **Nil**
5. Proceeding under the Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and the Income Declaration Scheme Rule, 2016: **Nil**

(III) LITIGATIONS INVOLVING THE PROMOTERS

A. Litigations Against the Promoters

1. Litigation Involving Criminal Proceedings: **Nil**
2. Litigation Involving Actions by Statutory/Regulatory Authorities in last five years: **Nil**
3. Litigation Involving Taxation Matters:

- (i) Direct tax matters: **Nil**
 - (ii) Indirect tax matters: **Nil**
- 4. Other Pending Litigations: **Nil**
- 5. Proceeding under the Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and the Income Declaration Scheme Rule, 2016: **Nil**
- B. Litigations By the Promoters
 - 1. Litigation Involving Criminal Proceedings: **Nil**
 - 2. Litigation Involving Actions by Statutory/Regulatory Authorities: **Nil**
 - 3. Litigation Involving Taxation Matters:
 - (i) Direct tax matters: **Nil**
 - (ii) Indirect tax matters: **Nil**
 - 4. Other Pending Litigations: **Nil**
 - 5. Proceeding under the Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and the Income Declaration Scheme Rule, 2016: **Nil**

(IV) LITIGATIONS INVOLVING THE GROUP COMPANIES

- A. Litigations Against the Group Companies
 - 1. Litigation Involving Criminal Proceedings: **Nil**
 - 2. Litigation Involving Actions by Statutory/Regulatory Authorities: **Nil**
 - 3. Litigation Involving Taxation Matters:
 - (i) Direct tax matters: **Nil**
 - (ii) Indirect tax matters: **Nil**
 - 4. Other Pending Litigations: **Nil**
 - 5. Proceeding under the Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and the Income Declaration Scheme Rule, 2016: **Nil**
- B. Litigations By the Group Companies
 - 1. Litigation Involving Criminal Proceedings: **Nil**
 - 2. Litigation Involving Actions by Statutory/Regulatory Authorities: **Nil**
 - 3. Litigation Involving Taxation Matters:
 - (i) Direct tax matters: **Nil**
 - (ii) Indirect tax matters: **Nil**
 - 4. Other Pending Litigations: **Nil**

5. Proceeding under the Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and the Income Declaration Scheme Rule, 2016: **Nil**

(V) LITIGATIONS INVOLVING THE SUBSIDIARIES

There are no subsidiaries of our Company as on the date of this draft Prospectus.

(VI) DETAILS OF ANY INQUIRY AND INSPECTION OR INVESTIGATION INITIATED UNDER PRESENT OR PREVIOUS COMPANY LAWS IN LAST 5 YEARS AGAINST THE COMPANY, ITS SUBSIDIARIES AND GROUP COMPANIES

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 and Group Companies.

(VII) OUTSTANDING DUES TO SMALL AND MEDIUM UNDERTAKING OR ANY OTHER CREDITORS

As at March 31, 2018 our Company has 73 creditors to whom a total amount of ₹ 45,726,860 is outstanding.

The company is not having adequate details to ascertain whether or not any of its creditors are small scale undertakings or micro, small and medium enterprises, hence necessary information with regard to Material MSME Dues are not ascertainable.

(VIII) PENDING PROCEEDINGS INITIATED AGAINST OUR COMPANY FOR ECONOMIC OFFENCES.

There are no pending proceedings initiated against our Company for economic offences.

(IX) 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.

(X) FINES IMPOSED OR COMPOUNDING OF OFFENCES FOR DEFAULT

There are no fines imposed or compounding of offences done in the last 5 (five) years immediately preceding the year of the draft Prospectus for the Company for default or outstanding defaults.

(XI) NON-PAYMENT OF STATUTORY DUES

There have been no defaults or outstanding defaults in the payment of statutory dues payable by the Company.

(XII) MATERIAL DEVELOPMENTS OCCURRING AFTER LAST BALANCE SHEET DATE

Except as disclosed elsewhere in this draft Prospectus, 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 Company has got following licenses/registrations/approvals/consents/permissions from the Government and various other Government agencies required for its present business.

APPROVALS FOR THE ISSUE

Sr. No	Name of the Approvals
1.	Our Company has received in- principle approval from the SME Platform of NSE dated [●] for listing of Equity Shares pursuant to the Issue.
2.	Our Board of Directors have, pursuant to a resolution passed at its meeting held on August 06, 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.
3.	The shareholders of the Company have, pursuant Section 62(1)(c) of the Companies Act, 2013, by a special resolution passed in the AGM/EOGM held on August 16, 2018 authorized the Issue.
4.	Our Company's International Securities Identification Number ("ISIN") is INE01KJ01017.

APPROVALS PERTAINING TO INCORPORATION OF OUR COMPANY

Nature of Registration/ License	Registration / License No.	Issuing Authority	Date of issue	Date of Expiry
Certificate of Incorporation	Registration Number: 011535 CIN Number: U63022MP1997PLC011535	Registrar of Companies, Gwalior	3 rd January, 1997	Perpetual

Rectification of the name of the Company reflected on the MCA website along with change in name on account of change in status of Company from privet limited company to public limited company vide certificate of incorporation dated 25th July, 2018.

TAX RELATED APPROVALS PERTAINING TO OUR COMPANY

Sr. No	Nature of Registration/ License	Registration/ License No.	Issuing Authority	Date of Issue	Date of Expiry
1.	PAN No. (Permanent Account Number)	AAIFA5997N	Commissioner of Income Tax	3 rd January, 1997	Perpetual
2.	TAN (Tax payers Account Number)	BPLA017560	Commissioner of Income Tax	10 th May, 2004	Perpetual
3.	Registration Certificate for Goods and Service Taxes	23AAIFA5997 N1ZT	Government of India	1 st July, 2017	Perpetual

BUSINESS RELATED APPROVALS PERTAINING TO OUR COMPANY

Sr. No	Nature of Registration/License	Registration/ License No.	Issuing Authority	Date of Issue	Date of Expiry
1.	Factories License under Factories Act, 1948	183/14427/IND/2m (i)	Chief Inspector of Factories, Madhya Pradesh.	20 th April, 2015.	
2.	District Industries Centre Registration Certificate, Entrepreneurs Memorandum	EM-23/026/22/03842	General Manager, District Industries Centre, Indore	28 th December, 2013	Valid until cancelled
3.	Consent to establish under Section 21 of the Air (Prevention & Control of Pollution) Act, 1981 and under Section 25 of the Water (Prevention & Control) Act, 1981	Consent letter No-1938 Renewal Consent letter No. A -38993	Regional Officer of Madhya Pradesh Control Board, Indore.	26 th August, 2016	26 th May, 2021
4.	Authorization under Rule 5 of the Hazardous waste Management & Handling & Trans boundary Movement) Rules, 2008	Renewal letter No. AH NO-29816	Regional Officer of Madhya Pradesh Control Board, Indore.	27 th May, 2015	26 th May, 2020
5.	Madhya Pradesh Shops and Establishment Act, 1958	22189/IND/CE/2012 Renewal Letter Number – C/481074	Inspector of Madhya Pradesh Shops and Establishment Act, 1958, Indore.	21 st February, 2017	31 st December, 2021
6.	Municipal Tax (for private and administrative office)	License No. 51291/0518/2897	Indore Municipal Corporation	1 st April, 2018	31 st March, 2019
7.	FSSAI Food Licensing and Registration System.	11415850000432	State Licensing Authority under FSSAI 2006	6 th May, 2015	5 th May, 2020
8.	License under The Madhya Pradesh Krishi Upaj Mandi Adhiniyam, 1972	A-19	Secretary, Krishi Upaj Mandi Samiti, Indore	1 st August, 2016	31 st March, 2021
9.	License for supply of Electricity	ED/IR/HT/COM/25156	Madhya Pradesh Electricity Board	29 th January, 1998	Valid until Cancelled
10.	Land and Revenue Department Clearance	Conversion Case No. 25/A-2/1996-97	Sub Divisional Magistrate; Tehsil: Mhow; Distt. Indore, (M.P.)	Order dated 9 th September, 1997	Valid until Cancelled

Our Company has been granted under special scheme no 1982/1246/2016/58 dated 1st September 2016 of Department of Horticulture, Government of India in relation to construction of cold storage for 5000 metric tones.

APPROVALS RELATING TO INTELLECTUAL PROPERTY

The details of domain name registered on the name of the company are set out below: -

Sr. No	Domain name and ID	Sponsoring registrar and IANA ID	Registrant Name, and Address	Creation Date	Registration Expiry Date
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Sr. No	Domain name and ID	Sponsoring registrar and IANA ID	Registrant Name, and Address	Creation Date	Registration Expiry Date
1.	Domain name www. http://aakarshiticeandcoldstorage.com Registry Domain ID: 2295063365_DOMAIN_COM-VRSN	GoDaddy.com IANA ID: 146	Nitesh Gokhe	8 th August, 2018	8 th August, 2019

MISCELLANEOUS APPROVALS PERTAINING TO OUR COMPANY

Sr. No	Nature of Registration/ License	Registration/ License No.	Issuing Authority	Date of Issue	Date of Expiry
1.	Health and Safety Approval Plan (On-Site Emergency Plan)	104/15/C-2/MHC/VI/00/4857	Director, Industrial Health and Safety, Govt. of Madhya Pradesh, Indore.	9 th November, 2017	Valid until Cancelled
2.	Machinery Breakdown Insurance Policy (For ten machines specified in the policy)	Policy No. 151100/44/2018/5	The Oriental Insurance Co. Ltd	25 th August, 2017	24 th August, 2018 ²
3.	Standard fire and special peril policy.	Policy No. 151100/11/2018/179	The Oriental Insurance Co. Ltd	25 th August, 2017	24 th August, 2018 ³
4.	STFI, Fire Basic and Earth Quake Cover on stock of Gur ₹ 3 Cr and Mahua ₹ 3.50 Cr in Chamber No 3	Policy No. 151100/11/2019/76	The Oriental Insurance Co. Ltd	16 th May, 2018	15 th May, 2019
5.	STFI, Fire Basic and Earth Quake Cover on stock of Gur ₹3 Cr and MAhua ₹3.50 Cr in Chamber No 3	Policy No. 151100/11/2019/76	The Oriental Insurance Co. Ltd	11 th July, 2018	1 st June, 2019

PENDING APPROVALS

1. NOC for fire safety measures.

APPROVALS REQUIRED TO BE OBTAINED BY THE COMPANY, BUT NOT APPLIED FOR



1. Registration under Madhya Pradesh Professional Tax Act, 1995.
2. Certificate of Stability under Rule 3(3) of Madhya Pradesh Factories Rules, 1962
3. Change in name of the Company on various approvals and licenses on account of change in name of the Company from Aakarshit Ice and Cold Storage Private Limited to Aakarshit Ice and Cold Storage Limited.
4. Registration under the Employees' State Insurance Act, 1948, in relation to its employees.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The Board of Directors, pursuant to a resolution passed at their meeting held on August 06, 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 August 16, 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 [•]. National Stock Exchange of India Ltd 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 142 of this Prospectus.

Eligibility for the Issue

Our Company is not ineligible in terms of Regulations 4(2) of SEBI ICDR Regulations for this Issue.

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations; and this Issue is an “Initial Public Issue” 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 amended from time to time, as we are an Issuer whose post issue face value paid up capital does not exceed ₹ 10 crore, and we may hence, issue Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the "NSE Emerge (NSE) ").

Company/entity should have positive cash accruals (earning before depreciation and tax) from operation atleast 2 financial years preceding the application and its net worth should be positive:

₹ in Lakhs

Particulars	For F.Y. 2018-17	For F.Y. 2016-17
Earnings before Interest and Depreciation	470.46	349.10

- Net worth includes Equity Share Capital and Reserves (excluding revaluation reserves, Miscellaneous Expenditure not written off, if any & Debit Balance of Profit and Loss Account not written off, if any)
- Our Company has a website i.e. www.aakarshiticeandcoldstorage.com
- Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
- No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the applicant company.
- 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 SME segment.

We confirm that:

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 section titled "General Information – Underwriting" beginning on page 41 of the Draft Prospectus.

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 fifty (50), otherwise, the entire application money will be unblocked forthwith. If such money is not repaid within eight (8) Working Days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight (8) Working Days, be liable to repay such application money, with an interest at the rate as prescribed under the Companies Act, 2013.

In accordance with Regulation 106(O) of the SEBI (ICDR) Regulations, we have not filed this Issue document with SEBI nor has SEBI issued any observations on our Draft Prospectus. 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.

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 please refer to section titled "General Information – Details of the Market Making Arrangements for this Issue" beginning on page 41 of the 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.

As on March 31, 2018, the Company has Net Worth* attributable to equity shareholders of ₹ 554.98 Lakhs as per the restated financial results.

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 September 05, 2018 and National Securities Depository Limited dated [•] for establishing connectivity.

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.

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 SEPTEMBER 28, 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 PROMOTER HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE 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 DEPOSITORY 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 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 Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Gwalior 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	37.73%	95.38%	91.36%
						5.87%	6.74%	3.32%
2.)	Tasty Dairy Specialties Limited (BSE SME)	24.44	45.00	February 21, 2018	50.75	(0.78)%	(4.44)%	(18.89)%
						(3.69)%	2.38%	13.10%
3.)	Godha Cabcon & Insulation Limited (NSE EMERGE)	9.90	33.00	May 11, 2018	30.25	(14.55)%	(3.33)%	
						(0.36)%	6.90%	

Source: Price Information www.nseindia.com/emerge, Issue Information from respective Prospectus.

Note:

- (a) Based on date of listing.



- (b) NIFTY has been considered as the benchmark index.
- (c) Prices on NSE are considered for all of the above calculations.
- (d) In case 30th/90th/180th day is not a trading day, closing price on BSE/NSE of the next trading day has been considered.
- (e) In case 30th /90th /180th day, scrips are not traded then last trading price has been considered.
- (f) N.A. – Period not completed.

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 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 September 10, 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 FROM OUR COMPANY AND THE BOOK RUNNING LEAD MANAGER

Our Company, its Directors and the Book Running Lead Manager accept no responsibility for statements made otherwise than those contained in this Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at his or her own risk.

The Book Running Lead Manager accepts no responsibility, save to the limited extent as provided in the MOU entered between the Book Running Lead Manager (Mark Corporate Advisors Private Limited) and our Company on November 10, 2017 and the Underwriting Agreement dated February 20, 2018 entered into between the Underwriters and our Company and the Market Making Agreement dated April 12, 2018 entered into among the Market Maker and our Company.

All information shall be made available by our Company and the Book Running 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 Book Running Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, Group Entities, or our affiliates or associates in

the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, Group Entities, and our affiliates or associates, for which they have received and may in future receive compensation.

NOTE

Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the Issue.

Disclaimer in Respect of Jurisdiction

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are majors, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, cooperative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2 (72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of ₹2,500.00 (Twenty Five Hundred) Lacs and pension funds with a minimum corpus of ₹2,500.00 (Twenty Five Hundred) Lacs, and permitted non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. This Prospectus does not, however, constitute an offer to sell or an invitation to subscribe for Equity Shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions.

Any dispute arising out of this Issue will be subject to jurisdiction of the competent court(s) in Indore, Madhya Pradesh, 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 Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Prospectus or any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date

Disclaimer Clause of the SME Platform of NSE

As required, a copy of this Issue Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter February 19, 2018 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. The Exchange has scrutinized this 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 Prospectus is being filed with National Stock Exchange of India Limited ,Exchange Plaza, Plot No.C /1,G Block, Bandra Kurla Complex, Bandra (E), Mumbai -400 051.

This 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.

A copy of the Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 would be delivered for registration to the Registrar of Companies, Gwalior, Madhya Pradesh.

Listing

The Equity Shares of our Company are proposed to be listed on NSE EMERGE (NSE SME Platform). Our Company has obtained in principle approval from NSE by way of its letter dated [•] for listing of equity shares on NSE EMERGE.

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 on the SME Platform is not granted by NSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of this Prospectus. If such money is not repaid within the prescribed time then our Company becomes liable to repay it, then our Company and every officer in default shall, shall be liable to repay such application money, with interest, as prescribed under the applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of 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, , Chartered Accountants, Mittal & Associates, 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 Prospectus/Prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of this Prospectus.

Experts Opinion

Except for the reports in the section titled “*Financial information of the Company*” and “*Statement of Tax Benefits*” beginning on page 114 and page 66 of this 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 ₹ [•] Lakhs, which is [•]% 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
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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	[.]	[.]	[.]

**Included Commission 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 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 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 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 47 in this 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 Prospectus.

Previous issues of Equity Shares otherwise than for cash

For a detailed description, see chapter titled "*Capital Structure*" beginning on page 47 of this Prospectus.

Underwriting Commission, brokerage and selling commission on Previous Issues

Since this is the initial public offering of our Company's Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares since our incorporation.

Particulars in regard to our Company and other listed group-companies / subsidiaries/ associates under the same management within the meaning of Section 370(1B) of the Companies Act, 1956 / Section 186 of the Companies Act, 2013 which made any capital issue during the last three years:

Neither our Company nor any other companies under the same management within the meaning of Section 370(1B) of the Companies Act, 1956 has made/Section 186 of the Companies Act, 2013, had made any public issue or rights issue during the last three years.

Performance vis-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 47 of this Prospectus our Company has not undertaken any previous public or rights issue. None of the Group Companies/ Entities or associates of our Company are listed on any stock exchange.

Performance vis-a-vis objects - Last Issue of Group/Associate Companies

All of our Group / Associate are unlisted and have not made a public issue of shares.

Outstanding Debentures or Bond Issues or Redeemable Preference Shares

Our Company does not have any outstanding debentures or bonds or Preference Redeemable Shares as on the date of filing this Prospectus.

Outstanding Convertible Instruments

Our Company does not have any outstanding convertible instruments as on the date of filing this Prospectus.

Option to Subscribe

Equity Shares being offered through the Prospectus can be applied for in dematerialized form only.

Stock Market Data of the Equity Shares

This being an Initial Public Offering of the Equity Shares of our Company, the Equity Shares are not listed on any Stock Exchanges.

Mechanism for Redressal of Investor Grievances

The agreement 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 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. Nishi 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:

Aakarshit Ice and Cold Storage Limited



Tel. No.:+0731 402010

E-Mail ID: cs@aaakarshiticeandcoldstorage.com

Website: www.aaakarshiticeandcoldstorage.com

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

S. N.	Name of the Director	Status	Nature of Directorship
1.	Vijay Singh Bharkatiya	Chairman cum Member	Additional Non-Executive Director
2.	Mrs Ruchi Sogani	Member	Non-Executive Independent Director

For further details, see chapter titled “*Our Management*” beginning on page 97 of this 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 Prospectus and hence there are no pending investor complaints as on the date of this Prospectus.

Disposal of investor grievances by listed companies under the same management as our Company

We do not have any listed company under the same management.

Change in Auditors during the last three (3) years

There has been no change in Auditors of our Company during the last three financial years.

Capitalization of Reserves or Profits

Except as disclosed under section titled “*Capital Structure*” beginning on page 47 of this Prospectus, our Company has not capitalized its reserves or profits at any time during the last 5 (five) years.

Revaluation of Assets

Our Company has not revalued its assets in 5 (five) years preceding the date of this Prospectus.

Tax Implications

Investors who are allotted Equity Shares in the Issue will be subject to capital gains tax on any resale of the Equity Shares at applicable rates, depending on the duration for which the investors have held the Equity Shares prior to such resale and whether the Equity Shares are sold on the Stock Exchanges. For details, please refer the chapter titled “*Statement of Tax Benefits*” beginning on page no. 66 of this Prospectus.

Purchase of Property

Other than as disclosed in chapter titled “*Our Business*” on page no. 76 of the Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of the Prospectus, other than property, in respect of which:-



The contract for the purchase or acquisition was entered into in the ordinary course of business, or the contract was entered into in contemplation of the Issue, or that the Issue was contemplated in consequence of the contract; or the amount of the purchase money is not material.

Except as stated elsewhere in the Prospectus, our Company has not purchased any property in which the Promoter and/or Directors have any direct or indirect interest in any payment made there under.

Servicing Behavior

Except as stated in this Prospectus, there has been no default in payment of statutory dues or of interest or 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 97 and “*Related Party Transactions*” beginning on page 112 of this 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 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 211 of this Prospectus.

Authority for the Issue

This Issue has been authorized by a resolution of the Board passed at their meeting held on November 10, 2017 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 AGM of the Company held on August 16, 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 113 and 211 of this Prospectus.

Face Value and Issue Price

The Equity Shares having a face value of ₹10 each are being offered in terms of this Prospectus at the price of ₹[•] 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 64 of this Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

Compliance with SEBI (ICDR) Regulations

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, 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 211 of this 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 4,000 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 4,000 Equity Shares subject to a minimum allotment of 4,000 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 Mumbai, 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 promoters' minimum contribution as provided in "*Capital Structure*" on page no. 47 of this 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 211 of this Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the 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 SME Platform 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 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 41 of this 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:

- (i) 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.
- (ii) 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.
- (iii) 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.
- (iv) 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.
- (v) 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 4000 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. 47 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. 211 of this Prospectus. The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the 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 164 and 172 of this Prospectus.

The Issue is being made by way of Fixed Price method.

Following is the Issue Structure:

Public Issue of 25,00,000 Equity shares of face value of ₹10 each fully paid (the 'Equity Shares') for cash at a price of ₹[.] per Equity Share aggregating to ₹[.] Lakhs ('the Issue') by our Company. The Issue comprises a Net Issue to Public of 23,60,000 Equity Shares ('the Net Issue') and a reservation of 1,40,000 Equity Shares for subscription by the designated Market Maker ('the Market Maker Reservation Portion').

Particulars of the Issue	Net Issue to Public*	Maker Portion	Reservation
Number of Equity Shares available for allocation	23,60,000 Equity Shares	1,40,000 Equity Shares	
Percentage of Issue Size available for allocation	94.40 % of the Issue Size	5.60 % of the Issue Size	
Basis of Allotment	Proportionate basis, subject to minimum allotment of 4,000 Equity Shares each. For further details, please refer to the ' <i>Basis of Allotment</i> ' on page no. 164 of this 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 4,000 Equity Shares such that the application size exceeds ₹2,00,000	4,000 Equity Shares	
	<i>For Retail Individuals:</i> 4,000 Equity Shares		
Maximum Application Size	<i>For QIB & HNI:</i> Such number of Equity Shares in multiples 4,000 Equity Shares such that application size does not exceed 4,000 Equity Shares	4,000 Equity Shares	
	<i>For Retail Individuals:</i> Such number of Equity Shares in multiples of 4,000 Equity Shares such that application value does not exceed ₹2,00,000		
Mode of Allotment	Dematerialized form only	Dematerialized form only	
Trading Lot	4,000 Equity Shares	4,000 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	[•]
Issue Closing Date	[•]

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 trules, 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 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 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 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 NSE i.e. www.nseindia.com.

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/RFPs 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 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 ₹[•] 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 4,000 Equity Shares and in multiples of ₹4,000 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 4,000 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 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 NSE i.e. www.nseindia.com/emerger

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 4,000 shares the allotment will be made as follows:
 - a) Each successful applicant shall be allotted 4,000 Equity Shares; and
 - b) 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.

4. If the proportionate allotment to an applicant works out to a number that is not a multiple of 4,000 Equity Shares, the applicant would be allotted Shares by rounding off to the nearest multiple of 4,000 Equity Shares subject to a minimum allotment of 4,000 equity 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 4,000 equity shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the offer specified under the Capital Structure mentioned in this Prospectus.
6. The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for small individual applicants as described below:
 - a) 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 retails 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 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.

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 4,000
- Category not ticked;
- Multiple Applications as defined in this Prospectus;
- In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Applications accompanied by Stock invest/ money order/ postal order/cash;
- 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, Gwalior, Madhya Pradesh 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 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 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 [•];
- (b) We have entered into tripartite agreement between CDSL, the Company and the Registrar to the Issue dated September 05, 2018

The Company's Equity shares bear an ISIN Number INE01KJ01017

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 Prospectus. ASBA Applicants are advised to make the in dependent 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 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 106M(1) of Chapter XB of SEBI (ICDR) Regulation.

2.2. Other Eligibility Requirements

In addition to the eligibility requirements specified in paragraphs 2.1, an Issuer proposing to undertake an IPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, the Companies Act, 1956 and the Companies Act, 2013 as may be applicable (the —Companies Act), The Securities Contracts (Regulation) Rules, 1957 (the —SCRR), industry-specific regulations, if any, and other applicable laws for the time being in force. Following are the eligibility requirements for making an SME IPO under Regulation 106M (2) 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 15% 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) 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 ₹25 Crores.
- (h.) The Issuer shall mandatorily facilitate trading in demat securities.
- (i.) The Issuer should not been referred to Board for Industrial and Financial Reconstruction.
- (j.) No petition for winding up is admitted by a court or a liquidator has not been appointed of competent jurisdiction against the Company.
- (k.) 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.
- (l.) The Company should have a website.
- (m.) There has been no change in the promoter of the Company in the one year preceding the date of filing

application to NSE for listing on Emerge.

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 (1) 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 NSE 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 SME platform of NSE on a later date subject to the following:

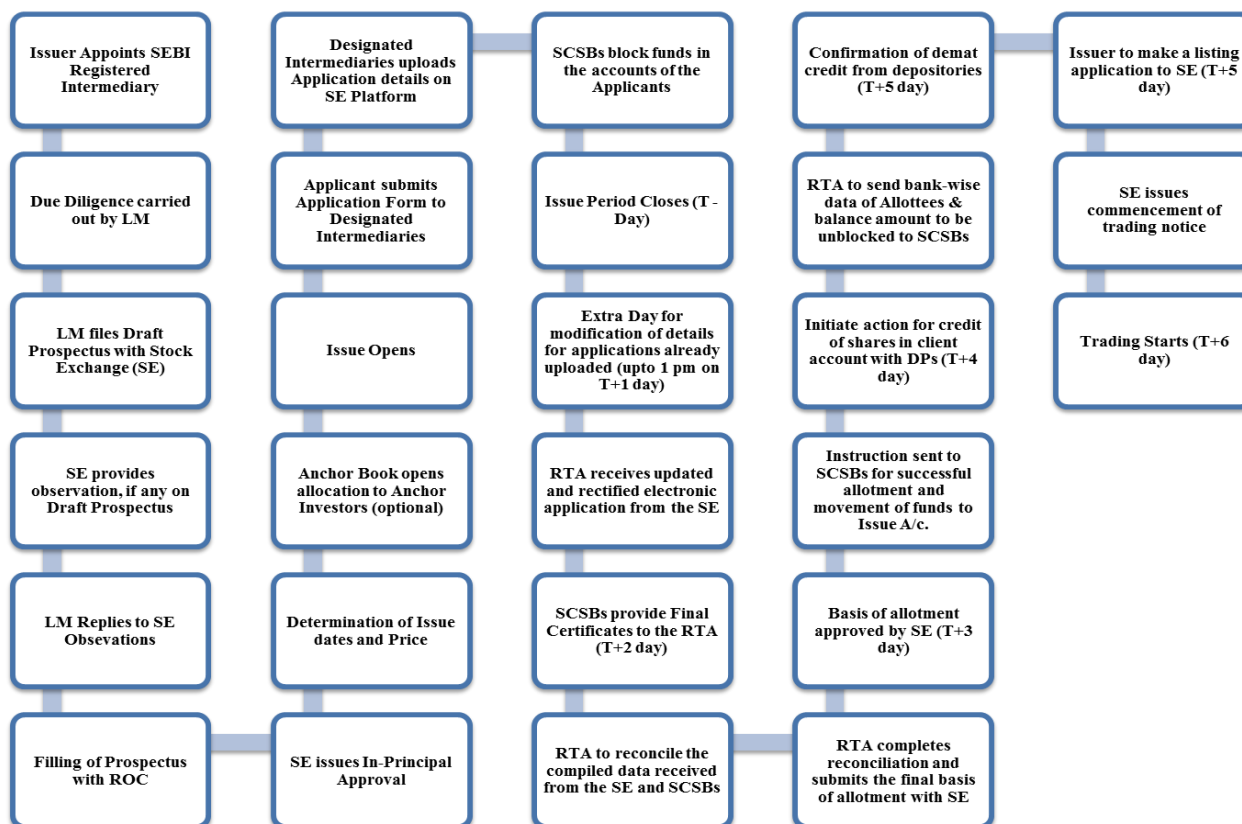
- (a.) If the Paid up Capital of our Company is likely to increase above ₹2,500 lakhs by virtue of any further issue of capital by way of rights issue, preferential issue, bonus issue etc.(which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders 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 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 ₹1,000 lakhs but below ₹2,500 lakhs, our Company may still apply for migration to the Main Board and if the Company fulfills 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. Furthermore, 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.

1.1. 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

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 : _____		Contract Details : _____		CIN No : _____	
TO, THE BOARD OF DIRECTORS, XYZ LIMITED		FIXED PRICE SME ISSUE INE00000000000		Bid cum Application Form No. _____	
SYNDICATE MEMBER'S STAMP & CODE		BROKER/SCSB/DP/RTA STAMP & CODE		1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER	
				Mr. / Ms. _____	
DEBENTURE / SUB-AGENT'S STAMP & CODE		ESIGNOR / SIGNOR'S STAMP & CODE		Address : _____	
				Email : _____	
BANK BRANCH SERIAL NO.		SCSB SERIAL NO.		Tel. No (with STD code) / Mobile : _____	
				2. PAN OF SOLE / FIRST BIDDER	

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NDL <input type="checkbox"/> CDIL				4. INVESTOR STATUS	
For NDL, enter 8 digit DP ID followed by 8 digit Client ID / For CDIL, enter 16 digit Client ID				<input type="checkbox"/> Individual(s) - IND <input type="checkbox"/> Hindu Undivided Family(s) - HUF <input type="checkbox"/> Bodies Corporate - CO <input type="checkbox"/> Banks & Financial Institutions - FI <input type="checkbox"/> Mutual Funds - MF <input type="checkbox"/> Non-Resident Indians - NRI (Non-Repatriation basis) <input type="checkbox"/> National Investment Fund - NIF <input type="checkbox"/> Insurance 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")				6. CATEGORY	
Bid Options:	No. of Equity Shares Bid (in Figures) (Bid must be in multiple of Bid Lot as advertised)	Price per Equity Share (₹) "Cut-off" (Price in multiple of ₹ 1/- only) (in Figures)		<input type="checkbox"/> Retail Investor Bidder	
		Bid Price	Retail Discount	Net Price	<input type="checkbox"/> Non-Institutional Bidder
Option 1					<input type="checkbox"/> QIB
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 CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE SPECIFIED ADVERTISEMENT AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES (GIDPI) AND HEREBY AGREE AND CONFIRM THE BIDDERS UNDERTAKING AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.					
8A. SIGNATURE OF SOLE / FIRST BIDDER		8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)		BROKER / BCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)	
I/We authorize the SCSB to act as an agent to make the Application in the name _____		1) _____ 2) _____ 3) _____			
Date : _____					
TEAR HERE					
LOGO		XYZ LIMITED INITIAL PUBLIC ISSUE - R		Acknowledgement Slip for Broker/SCSB/DP/RTA	
DPID / CLID				Bid cum Application Form No. _____	
Amount paid (₹ in figures) _____		Bank & Branch _____		PAN of Sole / First Bidder _____	
ASBA Bank A/c No. _____				Stamp & Signature of SCSB Branch	
Received from Mr./Ms. _____					
Telephone / Mobile : _____		Email : _____			
TEAR HERE					
XYZ LIMITED - INITIAL PUBLIC ISSUE - R		Option 1		Option 2	
		Option 3			
		Stamp & Signature of Broker / SCSB / DP / RTA		Name of Sole / First Bidder _____	
		Amount Paid (₹) _____			
ASBA Bank A/c No. _____				Acknowledgement Slip for Bidder	
Bank & Branch _____				Bid cum Application Form No. _____	

Application Form-NR

COMMON BID CUM APPLICATION FORM		XYZ LIMITED - INITIAL PUBLIC ISSUE - NR		For Eligible NRI, FI, FVCI, applying on Restriction Basis	
Address : _____ Contact Details : _____ CEN No. _____		BID cum Application Form No. _____			
LOGO TO, THE BOARD OF DIRECTORS XYZ LIMITED		FIXED PRICE ONE ISSUE INE00000000000			
SYNDICATE MEMBER'S STAMP & CODE _____ BROKER/SCSB/DP/RTA STAMP & CODE _____		1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER Mr / Ms. _____ Address _____ Email _____ Tel. No (with STD code) / Mobile _____			
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE _____ ESGROW BANK/SCSB BRANCH STAMP & CODE _____		2. PAN OF SOLE / FIRST BIDDER _____			
BANK BRANCH SERIAL NO. _____ SCSB SERIAL NO. _____					
3. BIDDER'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID					
4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT OFF")					
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 ₹ 1/- only) (In Figures)			<input type="checkbox"/> Retail Investor Bidder <input type="checkbox"/> Non-Institutional Bidder <input type="checkbox"/> QIB
		Bid Price	Retail Discount	Net Price	
Option 1					
(OR) Option 2					
(OR) Option 3					
5. CATEGORY <input type="checkbox"/> Non-Resident Indians (Repatriation Basis) NRI <input type="checkbox"/> Foreign Institutional Investor FI <input type="checkbox"/> Foreign Venture Capital Investor FVCI <input type="checkbox"/> FI Sub Account Corporate/Individual FI SA <input type="checkbox"/> Others (Please Specify) OTH					
6. INVESTOR STATUS					
7. PAYMENT DETAILS PAYMENT OPTION : FULL PAYMENT Amount paid (₹ in figures) _____ (₹ in words) _____ ASBA Bank A/c No. _____ Bank Name & Branch _____ I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE APPLICABLE AGREED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES (GIDPI) AND HEREBY AGREE AND CONFIRM THE "BIDDERS UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.					
8A. SIGNATURE OF SOLE / FIRST BIDDER _____ Date : _____		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 Applicant in the line _____ _____ _____		BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system) _____	
TEAR HERE					
LOGO XYZ LIMITED INITIAL PUBLIC ISSUE - NR		Acknowledgement Slip for Broker/SCSB/DP/RTA BID cum Application Form No. _____ PAN of Sole / First Bidder _____			
DPID / CEN ID : _____ Amount paid (₹ in figures) _____ Bank & Branch _____ ASBA Bank A/c No. _____ Received from Mr/Ms. _____ Telephone / Mobile _____ Email _____		Stamp & Signature of SCSB Branch _____ Stamp & Signature of Broker / SCSB / DP / RTA _____ Name of Sole / First Bidder _____			
XYZ LIMITED - INITIAL PUBLIC ISSUE - NR No. of Equity Shares _____ Bid Price _____ Amount Paid (₹) _____ ASBA Bank A/c No. _____ Bank & Branch _____		Acknowledgement Slip for Bidder BID cum Application Form No. _____			

1.1.1. 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.

1.1.2. 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.

1.1.3. 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.

1.1.4. 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 4,000 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 4,000 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 4,000 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.

1.1.5. 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.

1.1.6. 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 applying 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.

1.1.7. 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.

1.1.7.1. 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 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.

1.1.8. 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.

1.1.8.1. 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 Discount so 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).

1.1.8.2. 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.

1.1.9. 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.

1.1.10. 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		FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS	
Address : _____		Contract Details : _____		CIN No : _____	
LOGO		TO, THE BOARD OF DIRECTORS XYZ LIMITED		<div style="border: 1px solid black; padding: 2px;"> FIXED PRICE SME ISSUE INE00000000000 </div>	
				Bid cum Application Form No. 	
SYNDICATE MEMBER'S STAMP & CODE		BROKER/SCSB/DP/RTA STAMP & CODE		1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER	
				Mr. / Ms. 	
DEBENTURE / SUBSEQUENT'S STAMP & CODE		ESIGNOR / SIGNOR'S STAMP & CODE		Address : 	
				Email : 	
BANK BRANCH SERIAL NO.		SCSB SERIAL NO.		Tel. No (with STD code) / Mobile : 	
				2. PAN OF SOLE / FIRST BIDDER	
3. BIDDER'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NDL <input type="checkbox"/> CDIL				4. INVESTOR STATUS	
				<input type="checkbox"/> Individual(s) - IND <input type="checkbox"/> Hindu Undivided Family(s) - HUF <input type="checkbox"/> Bodies Corporate - CO <input type="checkbox"/> Banks & Financial Institutions - FI <input type="checkbox"/> Mutual Funds - MF <input type="checkbox"/> Non-Resident Indians - NRI (Non-Repatriation basis) <input type="checkbox"/> National Investment Fund - NIF <input type="checkbox"/> Insurance Companies - IC <input type="checkbox"/> Venture Capital Funds - VCF <input type="checkbox"/> Alternative Investment Funds - AIF <input type="checkbox"/> Others (Please specify) - OTH	
<small>For NDL, enter 8 digit DP ID followed by 8 digit Client ID / For CDIL, enter 16 digit Client ID</small>					
5. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")				6. CATEGORY	
Bid Options:	No. of Equity Shares Bid (In Figures) <small>(Bid must be in multiple of Bid Lot as advertised)</small>	Price per Equity Share (₹) "Cut-off" <small>Price in multiple of ₹ 1/- only (In Figures)</small>		<input type="checkbox"/> Retail Investor Bidder <input type="checkbox"/> Non-Institutional Bidder <input type="checkbox"/> QIB	
	Bid Price	Retail Discount	Net Price	<input type="checkbox"/> Please check (tick)	
Option 1				<input type="checkbox"/>	
OR) Option 2				<input type="checkbox"/>	
OR) Option 3				<input type="checkbox"/>	
7. PAYMENT DETAILS				PAYMENT OPTION : FULL PAYMENT <input type="checkbox"/> PART PAYMENT <input type="checkbox"/>	
Amount paid (₹ in figures) (₹ in words) _____					
ASBA Bank A/c No. 					
Bank Name & Branch 					
<small>I/WE HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE SPECIFIED ABOVE PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUE (GID) AND HEREBY AGREE AND CONFIRM THE BIDDERS UNDERTAKING AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.</small>					
8A. SIGNATURE OF SOLE / FIRST BIDDER		8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) <small>(AS PER BANK RECORDS)</small>		BROKER / BCSB / DP / RTA STAMP <small>(Acknowledging upload of Bid in Stock Exchange system)</small>	
Date : _____		I/We authorize the SCSB to act as an necessary to make the Application in the line _____			
(1) _____		(2) _____			
(3) _____		(4) _____			
TEAR HERE					
LOGO		XYZ LIMITED		Acknowledgement Slip for Broker/SCSB/DP/RTA	
INITIAL PUBLIC ISSUE - R		INITIAL PUBLIC ISSUE - R		Bid cum Application Form No. 	
DPID / CLID 		PAN of Sole / First Bidder 			
Amount paid (₹ in figures) 		Bank & Branch 		Stamp & Signature of SCSB Branch	
ASBA Bank A/c No. 		Received from Mr./Ms. 		Telephone / Mobile : 	
Email : 		TEAR HERE			
XYZ LIMITED - INITIAL PUBLIC ISSUE - 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 		Stamp & Signature of Broker / SCSB / DP / RTA		Name of Sole / First Bidder	
					

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 4,000;
- 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/ cheques/ 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 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 NSE (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 4,000 equity shares the allotment will be made as follows:
 - (i.) Each successful Applicant shall be allotted 4,000 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 4,000 equity shares, the Applicant would be allotted Shares by rounding off to the nearest multiple of 4,000 equity shares subject to a minimum allotment of 4,000 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 4,000 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 retails individual investors and
 - Other investors, including corporate bodies/ institutions irrespective of number of shares applied for.
 - (iii.) The unsubscribed portion of the net offer to any one of the categories specified in a) or b) shall/may be made available for allocation to applicants in the other category, if so required.

'Retail Individual Investor' means an investor who applies for shares of value of not more than ₹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 after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of eight days, be liable to repay the money, with interest at such rate, as prescribed under Section 73 of the Companies Act, 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 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 the Issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriters within sixty days from the date of closure of the Issue, the Issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the Issuer becomes liable to pay the amount, the Issuer shall pay interest at a rate prescribed under section 73 of the Companies Act, 1956 (or the Company shall follow any other substitution or additional provisions as has been or may be notified under the Companies Act, 2013).

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 4 Working 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 Prospectus
Application Amount	The amount at which the Applicant makes an application for Equity Shares of our Company in terms of this 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)/applicant(s) in this Issue who apply(ies) through the ASBA process in terms of this 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 [·]
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 172 of this Prospectus
Bid	An indication to make an offer during the Bid/Issue Period by a Bidder pursuant to submission of the 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 Application Form and payable by the Bidder upon submission of the Bid
Bid Lot	4,000 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
Client ID	Client identification number of the Applicant’s beneficiary account
Collecting Depository	A depository participant as defined under the Depositories Act, 1996, registered

Term(s)	Description
Participant/ CDP	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/emerge
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 [•] and Corporate 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, i.e. www.nseindia.com/emerge
Designated Stock Exchange	SME Platform of NSE
Draft Prospectus	The Draft Prospectus dated [•] 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 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 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 172 of this Prospectus

Term(s)	Description
Issue/Issue Size/ Initial Public Issue/ Initial Public Offer/Initial Public Offering/Initial Public Offering/ IPO	Public Issue of 25,00,000 Equity Shares of face value of 10 each fully paid of Aakarshit Ice and Cold Storage Limited for cash at a price of ₹[.] per Equity Share (including a premium of ₹[.] per Equity Share) aggregating ₹[.] Lakhs
Memorandum of Understanding/MoU	The agreement dated September 10, 2018 between our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue
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 Prospectus being ₹[.] per Equity Share of face value of ₹[.] each fully paid up
Issue Proceeds	Proceeds from the fresh Issue that will be available to our Company, being ₹[.] Lakhs
Listing Agreement	The Equity Listing Agreement to be signed between our Company and NSE
Lead Manager	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 1,40,000 Equity Shares of face value of ₹10 each fully paid for cash at a price of ₹[.] per Equity Share aggregating ₹[.] 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 25,60,000 Equity Shares of face value of ₹10 each fully paid for cash at a price of ₹[.] Equity Share aggregating ₹[.] 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 “ <i>Objects of the Issue</i> ” beginning on page no 59 of this 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. [.] Bank Limited by our Company to receive monies from SCSBs from the bank accounts of the ASBA Applicants on the Designated Date

Term(s)	Description
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 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 SME	The SME Platform of NSE for listing of equity shares offered under Chapter XB of the SEBI (ICDR) Regulations
Underwriters	Name of the Underwriter
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 Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them.

SECTION VIII - MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

THE COMPANIES ACT, 2013

(COMPANY LIMITED BY SHARES)

(Incorporated Under the Companies Act, 1956)

ARTICLES OF ASSOCIATION OF AAKARSHIT ICE AND COLD STORAGE LIMITED

- * These Articles of Association were adopted pursuant to Special Resolution passed by the members in the Extra-Ordinary General Meeting of the Company held on July 16, 2018

Table 'F' not to apply

1. The regulations contained in these Articles of Association shall overrule the regulations contained in Table "F" in the Schedule I to the Companies Act, 2013. The Articles of Association referred to in this paragraph shall be subject to any exercise of the statutory power of the Company in reference to the repeal or alteration thereof, or addition to its regulations by special resolution, as prescribed by the Act, and the Articles of Association shall refer to the Article as existing from time to time.

2. **Interpretation:-**

Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act (hereinafter defined) or any statutory modification thereof in force at the date at which the Articles become binding on the Company.

The marginal notes hereto are inserted for convenience and shall not affect the construction hereof and in these presents, unless there be something in the subject or context inconsistent therewith:

- "Act" means the Companies Act, 2013, and includes where the context so admits any re-enactment or statutory modification thereof for the time being in force and any previous Company law, so far as may be applicable;
- "Articles" means these articles of association of the Company or as altered from time to time;
- "Appellate Tribunal" means the National Company Law Appellate Tribunal constituted under section 410 of the Act;
- "Auditors" or "Auditor" mean the auditor or auditors of the Company appointed in pursuance of the provisions of section 139 of the Act;
- "Board of Directors" or "Board" means the collective body of the Directors of the Company;
- "Body Corporate or Corporation" shall mean as defined under sub-section 11 of section 2 of the Act;
- "Books of Accounts" includes records maintained as specified under sub-section 13 of section 2 of the Act;
- "Capital" means the share Capital for the time being raised or authorised to be raised for the purpose of

the company;

- “Chairman” means the Chairman of the Board of Directors for the time being of the Company;
- “Charge” means an interest or lien created on the property or assets of a company or any of its undertakings or both as security and includes a mortgage;
- “Company” means **“AAKARSHIT ICE AND COLD STORAGE LIMITED”**
- “Chartered Accountant” means a Chartered Accountant as defined in clause (b) of sub-section 1 of section 2 of the Chartered Accountants Act, 1949 who holds a valid certificate of practice under sub-section 1 of section 6 of the act;
- “Chief Executive Officer” or ‘CEO’ means an officer of a Company, who has been designated as Chief Executive Officer of the Company;
- “Chief Financial Officer” or ‘CFO’ means a person appointed as the Chief Financial Officer of the company;
- “Company Liquidator”, in so far as it relates to the winding up of a Company, means a person appointed by:
 - a) the Tribunal in the case of winding up by the tribunal; or
 - b) the Company or Creditors in case of voluntary winding up;As a Company liquidator from a panel of professionals maintained by the Central Government under sub-section 2 of section 275 of the act;
- “Contributory” means a person liable to contribute towards the assets of the company in the event of its wound up;
- “Control” means as defined under sub-section 27 of section 2 of the Act;
- “Cost Accountant” means a cost accountant as defined in clause (b) of Sub-section 1 of Section 2 of the Cost and Works Accountants Act, 1959;
- “Debenture” includes debenture-stock, bonus and any other securities of the Company, whether constituting a charge on the assets of the Company or not;
- “Directors” means Directors appointed to the Board of a company;
- “Dividend” includes any interim dividend;
- “Document” includes summons, notices, requisitions, orders, declarations, forms, and registers whether issued, sent, or kept in pursuance of this act or under any other law for the time being in force or otherwise, maintained on paper or in electronic form;
- “Employee Stock Option” means the options given to the Director, officer, or employees of a company or of its holding company or subsidiary company or company(s), if any, which gives such directors, officers or employees, the benefit or right to purchase, or to subscribe for, the share of the company at a future date at a predetermined price;
- “Executor” or “Administrator” means a person who has obtained Probate or Letter of Administration, as the case may be from a Court of Competent jurisdiction and shall include holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the share or shares of the deceased member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator Generals Act, 1963;

- “Financial Statements” in relation to a company includes-
 - a) A Balance Sheet as at the end of the financial year;
 - b) A profit and loss account for the financial year;
 - c) A Cash flow statement for the financial year;
 - d) A statement of changes in equity, if applicable; and
 - e) Any explanatory note annexed to, or forming part of, any document referred above.
- “Financial Year” shall have the meaning assigned thereto by Section 2 (41) of the Act;
- “Independent Director” means a person as defined in Section 149(6) of the Act and includes any statutory modifications or re-enactments thereto.
- “in Writing” and “Written” includes printing, lithography and other modes of representing or reproducing words in a visible form;
- “Key Managerial Personnel” or ‘KMP’ in relation to a company means:-
 - a) The Chief Executive Officer or Managing Director or Manager;
 - b) The Company Secretary;
 - c) The Whole-Time Director;
 - d) The Chief Financial Officer; and
 - e) Such other officers as may be prescribed in the Act on time to time;
- “Legal Representative” means a person who in law represents the estate of a deceased Member;
- “Member” means-
 - a) Subscriber to the Memorandum of the Company; and
 - b) Any other person who agreed in writing to become a member of the company and whose name is entered in the register of members of the Company, either solely or jointly; and
 - c) Beneficial Owner(s);
- “Month” means a calendar month;
- “Notification” means a notification published in the Official Gazette and the expression “notify” shall be construed accordingly;
- “Official Liquidator” means an Official liquidator appointed under Sub-Section 1 of section 359 of the Act;
- “Office” means the Registered Office for the time being of the Company;
- “Ordinary or Special Resolution” means an ordinary resolution, or as the case may be, special resolution referred to Section 114 of the Act;
- “Person” includes any corporation as well as an individual;
- “Proxy” means an instrument whereby any person is authorized to attend a meeting and vote for a member at the General Meeting or a poll and includes attorney appointed in accordance with the provisions of the Act and the Rules;
- “Postal Ballot” means voting by post or through any electronic mode;
- “Promoter” shall mean such persons as specified under sub-section 69 of section 2 of the Act;
- “Rules” means the rules framed by the Ministry of Corporate Affairs (‘MCA’) under the Act, as amended

from time to time.

- “Seal” means the Common Seal for the time being of the Company;
- “Secretary” means a Company Secretary within the meaning of clause (c) of sub section (1) of section 2 of the Company Secretaries Act, 1980 and includes any other individual possessing the prescribed qualifications and appointed to perform the duties which may be performed by a Secretary under the Act and any other ministerial or administrative duties;
- “Secretary in Whole-time Practice” means Secretary who shall be deemed to be in practice within the meaning of sub-section (2) of Section 2 of the Company Secretaries Act, 1980 and who is not in full time employment;
- “Security” means the securities as defined in Section 2(h) of the Securities Contracts (Regulation) Act, 1956;
- “Shares” means shares into which the Capital is divided and interests corresponding to such Shares;
- “Sweat Equity Shares” shall mean such shares as specified under Sub-Section 88 of section 2 of the Act;
- “The Registrar” means a Registrar, an Additional registrar, a Joint registrar, a Deputy registrar or an Assistant registrar, having the duty of registering companies and discharging various functions under this Act;
- “The Sub-headings” hereto shall not affect the construction hereof;
- “The Statutes” means the Companies Act, 2013 and every other Act for the time being in force affecting the Company;
- “Tribunal” means the National Company Law Tribunal constituted under Section 408 of the Act;
- “Voting Rights” means the rights of a member of a company to vote in any meeting of the company or by means of postal ballot;

Words importing the singular number include where the context admits or requires the plural number and vice versa;

3. Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company and if any words and expressions not defined in the Companies Act, 1956 but defined in the Securities Contracts (Regulation) Act, 1956 or any other law for the time being in force shall have the meaning respectively assigned to them in those Acts.

Share capital and variation of rights

4. Share Capital:-

The Authorized Share Capital of the Company is as stated in Clause V of the Memorandum of Association of the Company with the power to increase or reduce such capital from time to time in accordance with the Articles and the legislative provisions for the time being in force in this behalf and with the power also to divide the shares in the capital for the time being into equity share capital and preference share capital and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions, in accordance with the provisions of the Act and these Articles.

5. New Capital same as existing capital:-

Except in so far as otherwise provided by the conditions of issue or by these Articles, any capital raised by the creation of new shares, shall be considered as part of the existing capital and shall be Subject to the provisions herein contained with reference to the payment of calls and installments, Forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

6. Shares under the Control of the Board:-

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.

7. Shares for Consideration other than cash:-

Subject to the provisions of the Act and these Articles, the Board may issue and allot shares in the capital of the Company on payment or part payment for any property or assets of any kind whatsoever sold or transferred, goods or machinery supplied or for services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than for cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares, as the case may be, if the price of such shares is determined by the valuation report of a registered valuer and such issuance and allotment is approved by a special resolution of the shareholders of the Company.

8. Kinds of Share Capital:-

The Company may issue the following kinds of shares in accordance with these Articles, the Act, the Rules and other applicable laws:

- i. Equity share capital:
 - a. with voting rights; and/or
 - b. with differential rights as to dividend, voting or otherwise in accordance with the Rules; and
- ii. Preference share capital.

9. Power to issue redeemable preference shares:-

Subject to the provisions of these Articles and of the Act, the Company shall have power to issue Preference Shares which may, at the option of the Company, be liable to be redeemed out of the profits or out of the proceeds of a fresh issue of Shares made for the purposes of such redemption. The Board may, subject to the provisions of the Act and the rules made there under, exercise such power in such manner as it may think fit.

10. Further Issue of share capital :-

A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement or by any other manner, subject to and in accordance with the Act and the Rules; to:-

- a. persons who, at the date of offer, are holders of equity shares of the Company; such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; or
- b. employees under any scheme of employees' stock option, subject to approval by the shareholders of the Company by way of passing a resolution; or
- c. any persons, whether or not those persons include the persons referred to in clause (a) or clause (b) above, subject to approval by the shareholders of the Company by way of passing a resolution.

11. Sweat Equity Shares:-

Subject to the provisions of the Act and other applicable provisions of law, the Company may with the approval of the shareholders by passing requisite resolution in general meeting issue sweat equity shares in accordance with such rules and guidelines issued by the Securities and Exchange Board of India and/or

other competent authorities for the time being and further subject to such conditions as may be prescribed in that behalf.

12. Issue of Debentures:-

Subject to the provisions of the Act and other applicable provisions of law, any debentures, debenture-stocks, bonds or other securities may be issued at par or at a premium or otherwise and with any special privileges, as to redemption, surrender, drawings, allotment of Shares, appointment of Directors and otherwise, debentures, debenture-stocks, bonds or other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued. Provided that the debentures, debenture-stock, bonds or other securities with the right to allotment of the or conversion into Shares shall not be issued except with the consent of the Company in a general meeting or through postal ballot subject to provisions of Section 71 of the Act.

13. Authority to Issue Share Certificates:-

Subject to the provisions of the Act and the Companies (Share Capital and Debentures) Rules, 2014 or any statutory modification or re-enactment thereof, Share certificates and duplicate thereof shall be issued under the Seal of the Company, if any, which shall be affixed in the presence of, and signed by:

- a) two Directors duly authorized by the Board for the purpose or the Committee of the Board if so authorized by the Board; and
- b) the Secretary or some other person appointed by the Board for the purpose, all of whom shall sign such Share certificate provided that, if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing or Whole time Director;
- c) A director shall be deemed to have signed the Share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means such as engraving in metal or lithography or digitally signed, but not by means of a rubber stamp, provided that the director, shall be responsible for the safe custody of such machine, equipment or other material used for the purpose;
- d) Every certificate shall specify the shares to which it relates and the amount paid-up thereon.

14. Member's right to Certificate:-

Every Member shall be entitled free of charge to one certificate for all the Shares of each class registered in his name, or, if the Board so approves to several certificates each for one or more of such Shares. Such certificate shall be issued in accordance with the provisions of the Act and Rules. In respect of any Shares held jointly by several Persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate to one of several joint holders shall be sufficient delivery to all such holders.

15. Fees on Issue of new share Certificate, registration of probates etc.:-

Every certificate under this Article shall be issued without any fee or on payment of such other fees as may be fixed by the Board from time to time in accordance with the Act, in the following situations-

- a) Sub-division and consolidation of Share and debenture certificates and for sub-division of letters of allotment and split, consolidation, renewal and pucca transfer receipts into denominations corresponding to the market unit of trading;
- b) Sub-division of renounceable Letters of Right;
- c) Issue of new certificates in replacement of those which are old, decrepit, defaced, mutilated, torn or worn-out or where there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, 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 ;
- d) Registration of any Power of Attorney, Probate, Letter of Administration or similar other documents.

16. Company not bound to recognized any interest in shares:-

Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any

fractional part of a share, or (except only as by the Articles or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

17. i Power to pay Commission and Brokerage:-

The Company may exercise the powers of paying commissions conferred by the Act, to any person in connection with the subscription to its securities, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act and the rules and the rate shall not exceed as prescribed in the Act and the rules.

ii Mode of payment of commission:-

The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

18. Modification in the Rights:-

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 the Act, 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, as prescribed under the Act and provisions herein after contained as to general meetings shall *mutatis-mutandis*, apply to every such meeting.

19. Issue of further shares not to affect rights of existing members:-

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.

20. Provisions as to issue of Certificate to apply *mutatis mutandis* to debentures:-

The Provisions of Articles related to issue of share certificates shall *mutatis mutandis* apply to the Debenture and other securities of the company under the act and rules made there under.

Dematerialisation of Securities

21. Company entitled to dematerialize its shares, debentures and other securities:-

Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its shares, debentures and other securities and to offer any shares, debentures or other securities proposed to be issued by it for subscription in a dematerialised form and on the same being done, the Company shall further be entitled to maintain a register of members/debenture-holders/other security holders with the details of members/debenture-holders/other security-holders holding shares, debentures or other securities both in materialised and dematerialised form in any media as permitted by the Act.

22. Shares, debentures and other securities held in electronic form:-

In the case of transfer of shares, debentures or other securities where the Company has not issued any certificates and where such shares, debentures or other securities are being held in an electronic and fungible form, the provisions of the Depositories Act, 1996 shall apply.

Provided that in respect of the shares and securities held by the Depository on behalf of a beneficial owner, provisions of Section 9 of the Depositories Act, 1996, shall apply so far as applicable.

23. Beneficial owner deemed as absolute owner:-

Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears as the beneficial owner of the shares, debentures and other securities in the records of the Depository as the absolute owner thereof as regards receipt of dividends or bonus on shares, interest/premium on debentures and other securities and repayment thereof or for service of notices and all or any other matters connected with the Company and accordingly the Company shall not (except as ordered by a court of competent

jurisdiction or as by law required and except as aforesaid) be bound to recognise any benami trust or equity or equitable, contingent or other claim to or interest in such shares, debentures or other securities as the case may be, on the part of any other person whether or not it shall have express or implied notice thereof.

24. Depository deemed to be registered owner:-

Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purpose of affecting transfer of ownership of the security on behalf of the beneficial owner. The depository as the registered owner of the securities shall not have any voting rights or any other in respect of the securities held by it.

25. Provisions to apply to shares in electronic form:-

Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in electronic form so far as they apply to shares in physical form subject however to the provisions of the Depositories Act, 1996.

Lien

26. Company's lien on shares:-

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 may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

27. Lien to extend to dividends, etc:-

Such lien shall extend to all dividends from time to time declared in respect of such Share subject to the provisions of Section 124 of the Act and also to bonus declared on the shares. Unless otherwise agreed, the registration of a transfer of a Share shall operate as waiver of the Company's lien if any, on such Share.

28. Enforcing lien of Sale:-

The company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien for the purpose of enforcing the same 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; For the purpose of such sale, the Board may cause to be issued a duplicate certificate in respect of such shares and may authorize one of their members to execute a transfer thereof on behalf of and in the name of such members. The Board may authorise some person to transfer the shares sold to the purchaser thereof.

29. Right of Purchaser of lien:-

The purchaser shall be registered as the holder of the shares comprised in any such transfer and 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.

30. Application of proceeds of sale and residual money:-

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. 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.

31. Provisions as to lien to apply *mutatis mutandis* to debentures, etc:-

The provisions of these Articles relating to lien shall mutatis mutandis apply to any other securities including debentures of the Company.

32. Calls on Shares:-

i. Power to make calls:-

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 payment of the last preceding call.

ii. Notice of call:-

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. Board may extend time for payment:-

The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call in respect of one or more members as the Board may deem appropriate in any circumstances.

iv. Calls to take effect from date of resolution:-

A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.

v. Liability of Joint share holders:-

The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

vi. When interest on call payable:-

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.

vii. Board may waive interest:-

The Board shall be at liberty to waive payment of any such interest wholly or in part.

viii. Sums deemed to be calls:-

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 Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

ix. Effect of non-payment of sums:-

In case of non-payment of such sum, all the relevant provisions of these Articles 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.

x. Payment in anticipation of call may carry interest:-

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. Nothing contained in this clause shall confer on the member (i) any right to participate in profits or dividends or (ii) any voting

rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable by him.

33. Evidence in action by Company against shareholders:-

On the trial or hearing of any action or suit brought by the Company against any shareholder or his representatives to recover any debt or money claimed to be due to the Company in respect of his Share, it shall be sufficient to prove that the name of the defendant is or was, when the claim arose, on the Register as a holder, or one of the holders of the number of Shares in respect of which such claim is made, and that the amount claimed is not entered as paid in the books of the Company and it shall not be necessary to prove the appointment of the Board who made any call, nor that a quorum was present at the Board meeting at which any call was made nor that the meeting at which any call was made was duly convened or constituted nor any other matter whatsoever but the proof of the matters aforesaid shall be conclusive evidence of the debt.

Transfer of Shares

34. Execution of transfer:-

The instrument of transfer shall be in writing and all the provisions of Section 56 of the Act and the Companies (Share Capital and Debentures) Rules, 2014 shall be duly complied with in respect of all transfers of Shares and the registration thereof. The instrument of transfer of any share in the Company which is in physical form shall be executed by or on behalf of both the transferor and transferee. 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.

The instrument of transfer shall be in the form prescribed by the Act and the Companies (Share Capital and Debentures) Rules 2014, made there under.

35. Transfer not to be registered except on production of instrument of transfer:-

The Company shall not register a transfer of shares in, or debentures of the Company held in physical form unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and transferee and has been delivered to the Company along with the certificates relating to the shares or debentures, or if no such certificate is in existence, along with the letter of allotment of the shares or debentures:

Provided that where on an application in writing made to the Company by the transferee and bearing the stamp required for an instrument of transfer, it is proved to the satisfaction of the Board that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost or where the instrument of transfer has not been delivered within the prescribed period, the Company may register the transfer on such terms as to indemnity as the Board may think fit:

Provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder or debenture holder any person to whom the right to any shares in, or debentures of, the Company has been transmitted by operation of law.

36. Board may refuse to register transfer:-

Subject to the provisions of these Articles, and of Section 58 of the Act and any statutory modification(s), the Board may, subject to the right of appeal conferred by the Act decline to register the transfer of a share, not being a fully paid up share, to a person of whom they do not approve or any transfer of shares on which the Company has a lien.

37. Transfer by legal representative:-

A transfer of the shares or other interest in the Company of a deceased member thereof made by his legal representatives shall, although the legal representative is not himself a member be as valid as if he had been a member at the time of the execution of the instrument of transfer.

38. Transfer of partly paid shares:-



Where the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered, unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the date of receipt of the notice:

For the purpose of above clause notice to the transferee shall be deemed to have been duly given if it is dispatched by pre-paid registered post to the transferee at the address given in the instrument of transfer, and shall be deemed to have been duly delivered upon the expiry of seven days from the date of dispatch.

39. Board may decline to recognize instrument of transfer:-

In case of shares held in physical form, the Board may decline to recognise any instrument of transfer unless:

- a. the instrument of transfer is in the form as prescribed in the Rules or under the Act
- 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.

40. Notice of refusal to be given to transferor and transferee:-

If the Company refuses to register the transfer of any share pursuant to these Articles, it shall within thirty days from the date on which the instrument of transfer was delivered to the Company send notice of refusal to the transferee and transferor.

41. No transfer to person of Unsound Mind:-

No transfer shall be made to a person of unsound mind. However, transfer of fully paid up shares can be made in the name of a minor if he is represented by his lawful guardian.

42. When transfers to be retained:-

Every instrument of transfer shall be left at the Office for registration, accompanied by the certificate of the Share to be transferred or, if no such certificate is in existence, by the Letter of Allotment of the Share and such other evidences as the Board may require to prove the title of the transferor or his right to transfer the Share. Every instrument of transfer which shall be registered shall be retained by the Company, but any instrument of transfer which the Board may refuse to register, shall be returned to the person depositing the same.

43. Fee on registration of transfer:-

No fee shall be payable to the Company in respect of transfer or transmission of any Shares in the Company.

44. Power to close Register of Members or other security holders:-

The Company may, after giving not less than seven days' previous notice by advertisement in some newspaper circulating in the district in which the registered office of the Company is situate, close the register of members or the register of debenture-holders or other security holders for any period or periods not exceeding in the whole forty-five days in each year, but not exceeding thirty days at any one time.

45. Provisions as to transfer of shares to apply *mutatis mutandis* to debentures, etc:-

The provisions of these Articles relating to transfer of shares shall *mutatis mutandis* apply to any other securities including debentures of the Company.

Transmission of Shares

46. Transmission of Registered Shares:-

The executor or administrator of a deceased Member (not being one of several joint-holders) shall be the only person recognized by the Company as having any title to the Shares registered in the name of such Member, and in case of the death of any or more of the joint-holders of any registered Share, the survivor shall be the only person recognized by the Company as having any title to or interest in such Share, but nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on the Share held by him jointly with any other person. Before recognizing any executor or administrator, the Board may require him to obtain a Grant or Probate or Letters of Administration or other legal

representation, as the case may be from a competent Court in India, provided nevertheless that in any case where the Board in its absolute discretion thinks fit it shall be lawful for the Board to dispense, Letters of Administration or such other legal representation upon such terms as to indemnity, as it considers proper.

47. Election under transmission:-

i. Right to election of holder of share:-

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. Manner of testifying election:-

If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

iii. Limitations applicable to notice:-

All the limitations, restrictions and provisions of these Articles 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.

48. Claimant to be entitled to same advantage:-

A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

49. Provisions as to transmission to apply *mutatis mutandis* to debentures, etc:-

The provisions of these Articles relating to transmission by operation of law shall *mutatis mutandis* apply to any other securities including debentures of the Company.

Forfeiture of Shares

50. If call or instalment not paid notice must be given:-

If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued by the company by reason of such non payment.

51. Date and Place of payment of call:-

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) and the place or places on and at which such call or installment and such interest and expenses aforesaid are to be paid;
- b. the notice shall also 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.

52. In default of payment of shares to be forfeiture:-

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.

53. Notice after forfeiture:-

When any share shall have been so forfeited, notice of the forfeiture shall be given to the defaulting member and an entry of the forfeiture with the date thereof, shall forthwith be made in the register of members but no forfeiture shall be invalidated by any omission or neglect or any failure to give such notice or make such entry as aforesaid.

54. Effect of forfeiture:-

The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share.

55. Forfeiture shall become property of the company:-

Any Share so forfeited shall be deemed to be the property of the Company and the Board may sell, re- allot or otherwise dispose of the same in such manner as it thinks fit.

56. Power to Cancel:-

At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

57. Liability of member on forfeiture:-

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. All such monies payable shall be paid together with interest thereon at such rate as the Board may determine, from the time of forfeiture until payment or realisation. The Board may, if it thinks fit, but without being under any obligation to do so, enforce the payment of the whole or any portion of the monies due, without any allowance for the value of the shares at the time of forfeiture or waive payment in whole or in part.

58. Evidence of forfeiture:-

A duly verified declaration in writing that, the declarant is a Director, Manager or Secretary of the Company and has been authorized by a Board Resolution to act as declarant and that certain Shares in the Company have 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 Shares, and such declaration and the receipt of the Company for the consideration, if any, given for the Shares on the sale or disposition thereof shall constitute a good title to such Shares and the Person to whom any such Share is sold shall be registered as the holder of such Share and shall not be bound to see the application of purchase money, nor shall his title to such Share be affected by any irregularity or invalidity in the proceedings in reference to such forfeiture, sale or disposal.

59. Validity of the sale:-

Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the register of members in respect of the shares sold and after his name has been entered in the register of members in respect of such shares the validity of the sale shall not be impeached by any person.

60. Cancellation of share certificate in respect of forfeited shares:-

Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate(s), if any, originally issued in respect of the relative shares shall (unless the same shall on demand by the Company has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto.

61. Surrender of shares :-

The Board may, subject to the provisions of the Act, accept a surrender of the shares for any forfeited share from or by any member desirous of surrendering on such terms as they think fit.

62. Forfeiture provisions to apply to non payment in terms of issue:-

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.

63. Provisions as to forfeiture of shares to apply *mutatis mutandis* to debentures, etc:-

The provisions of these Articles relating to forfeiture of shares shall *mutatis mutandis* apply to any other securities including debentures of the Company.

Alteration of Capital

64. Increasing Share Capital:-

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.

65. Power to alter share capital:-

Subject to the provisions of the Act, 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.

66. Shares may be converted into stock-

- i. the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:
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.
- ii. the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
- iii. 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.

67. Reduction of Share capital:-

The Company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law:

- a. its share capital;
- b. any capital redemption reserve account; or
- c. any share premium account.

Capitalisation of Profits

68. Capitalisation of Profits and Reserve:-

Any general meeting may resolve that any moneys, investments, or other assets forming part of the undivided profits of the Company standing to the credit of the reserves, or any capital redemption reserve accounts, or in the hands of the Company and available for dividend or representing premiums received on the issue of Shares and standing to the credit of the securities premium account be entitled and distributed amongst such of the shareholders as would be entitled to receive the same if distributed by way of dividend and in the proportions on the footing that they become entitled thereto as capital and that all or any part of such capitalized fund be applied on behalf of such shareholders in paying up in full of any unissued Shares, of the Company which shall be distributed accordingly or in or towards payment of the uncalled liability on any issued Shares, or towards both and that such distribution or payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalized sum. Provided that any sum standing to the credit of a securities premium account or a capital redemption reserve account may, for the purpose of this Article only be applied in the paying up of unissued Shares to be issued to Members of the Company as fully paid bonus Shares.

69. Powers of the Board for capitalisation:-

Whenever such a resolution as aforesaid shall have been passed, the Board shall:

- a. make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid shares if any; and
- b. generally do all acts and things required to give effect thereto

70. Board's power to issue fractional certificate:-

For the purpose of giving effect to any resolution under the two last preceding Articles hereof the Board may settle any difficulty which may arise in regard to the distribution as it thinks expedient and in particular may issue fractional certificates, and may determine that cash payments shall be made to any Members upon the footing of the value so fixed for such fractional certificate in order to adjust the rights of all parties and may vest such cash or for such fractional certificates in trustees upon such trusts for the persons entitled to the dividend or capitalized funds as may seem expedient to the Board. Where requisite, a proper contract shall be filled in accordance with Section 39 of the Act, and the Board may appoint any person to sign such contract on behalf of the person entitled to the dividends or capitalized fund, and such appointment shall be effective.

Buy Back of Shares

71. Company not to purchase its own Shares:-

Save as permitted by Section 67 of the Act, the funds of the Company shall not be employed in the purchase of security, Shares in the Company and the Company shall not give, directly or indirectly, any financial assistance, whether by way of loan, guarantee, the provision of security or otherwise, for the purpose of or in connection with any purchase of or subscription for Shares in the Company or any Company of which it may, for the time being, be a subsidiary.

72. Purchase of own Shares:-

Notwithstanding anything contained in these Articles but subject to the provision of 68 to 70 of the Act and other applicable provisions of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities out of (i) its free reserves; or (ii) the securities premium account; or (iii) the proceeds of the issue of any Shares or other specified securities or (iv) otherwise specified by the law for the time being in force.

General Meetings

73. Annual general meetings:-

The Board shall, every year, convene or authorise convening of a meeting of its members call the "Annual General Meeting" In addition to any other meetings, of the Company to transact items of ordinary business specifically required to be transacted at an AGM as well as special business, if any, and shall be held within

such intervals as are specified in the Act, during such business hours and places as may be determined by the Board under the provisions of the Act or the Rules made there under.

If the Board fails to convene its Annual General Meeting in any year, any member of the Company may approach the authority as prescribed under the Act, which may then direct the calling of annual general meeting of the company.

74. Extraordinary general meeting:-

All general meetings other than annual general meeting shall be called extraordinary general meeting. The Board may, whenever it thinks fit, call an extraordinary general meeting of the Company.

If at any time Directors capable of acting who are sufficient in number to form a quorum are not within India, any Director or any two members of the Company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

75. Circulation of members resolution:-

I) Subject to the provisions of Section 111 of the Act, the Company shall on the requisition in writing of such number of members who holds, on the date of receipt of the requisition, not less than one-tenth of the such paid up share capital of the company as on the date carries the right of voting or as hereinafter specified and (unless the General Meeting otherwise resolves) at the expense of the requisitionists:-

- a. Give to the members of the Company entitled to receive notice of the next Annual General Meeting, notice of any resolution which may properly be moved and is intended to be moved at that meeting.
- b. circulate to members entitled to have notice of any general meeting sent to them any statement with respect to the matter referred to in any proposed resolution or any business to be dealt with at that meeting.

II) The Company shall not be bound under this Article to give notice of any resolution or to circulate any statement unless:-

- a. A copy of the requisition signed by the requisitionists (or two or more copies which between them contain the signature of all the requisitionists) is deposited at the registered office of the Company.
 - i. in the case of requisition, requiring notice of resolution, not less than six weeks before the meeting;
 - ii. in the case of any other requisition, not less than two weeks before the meeting;
- b. There is deposited or tendered with the requisition sum reasonably sufficient to meet the Company expenses in giving effect thereto.

Provided that if after a copy of the requisition requiring notice of a resolution has been deposited at the registered office of the Company and an Annual General Meeting is called for a date six weeks or less after such copy has been deposited, the copy although not deposited within the time required by this clause, shall be deemed to have been properly deposited for the purposes also thereof.

III) The Company shall also not be bound under this Article to circulate any statement if, on the application either of the Company or of any other person who claims to be aggrieved, The Central Government, by order, declare that the rights conferred by this Article are being abused to secure needless publicity for defamatory matter.

76. Notice of Meeting:-

Save as permitted under Section 101 of the Act, a General Meeting of the Company may be called by giving not less than clear twenty one days' notice either in writing or through electronic mode.

Notice of every meeting shall be given to the Members and such other person or persons as required under and in accordance with Section 101 of the Act and it shall be served in the manner authorized by Sections 20 and 101 of the Act and the Rules made under the Act.

A general meeting may be called after giving a shorter notice if consent is given in writing or by electronic mode by not less than ninety five percent of the members entitled to vote at such meeting.

Proceedings of general meetings

77. Ordinary and Special business:-

The ordinary business of an Annual General Meeting shall be to receive and consider the financial statements, including consolidated financial statements and the reports of the Directors and the Auditors thereon, to elect Directors in the place of those retiring, to appoint Auditors and fix their remuneration and to declare dividends. All other business transacted at an Annual General Meeting and all business transacted at any other General Meeting shall be deemed to be special business.

78. Presence of Quorum:-

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. Quorum for the meeting shall be determined in accordance with Section 103 of the Act.

79. When if Quorum not present, meeting to be cancelled and when to be adjourned:-

If within half-an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened by requisition of Members shall be cancelled, but in any other case it shall stand adjourned to the same day in the next week, at the same time and place, or to such other day and at such time and place as the Board may by notice appoint and if at such adjourned meeting a quorum is not present within half-an hour from the time appointed for holding the meeting those Members, who are present and not being less than two shall be quorum and may transact the business for which the meeting was called.

80. Omission to give notice not to invalidate proceedings

The accidental omission to give such notice as aforesaid to or non-receipt thereof by any member or other person to whom it should be given, shall not invalidate the proceedings of any such meeting.

81. Resolution to be passed by the Company in General Meeting:-

Any act or resolution which, under the provisions of these Articles or of the Act, is permitted or required to be done or passed by the Company in General Meeting or through postal ballot shall be sufficiently so done or passed if effected by an ordinary resolution as defined in Section 114(1) of the Act unless either the Act or these Articles specifically require such act to be done or resolution passed by a Special Resolution as defined in Section 114(2) of the Act.

82. Chairman of General Meeting:-

The Chairman of the Board shall be entitled to take the chair at every general meeting ("Chairman"). If there is no such Chairman, or if at any meeting he is not present within fifteen minutes after the time appointed for holding such meeting, the Directors present shall choose another Director as Chairman, and if no Directors is present, or if all the Directors present decline to take the Chair, then the Members present shall, on a show of hands or on a poll if properly demanded, elect one of their numbers being a Member entitled to vote, to be the Chairman.

83. How questions to be decided at meetings:-

At any general meeting a resolution put to the vote of the meeting shall unless a poll is demanded under Section 109 of the Act or voting is carried out electronically, be decided on a show of hands in accordance with Section 107 of the Act and the Companies (Management and Administration) Rules, 2014. In the case of an equality of votes, the Chairman shall both on a show of hands and at the poll have a casting vote in addition to the vote or votes to which he may be entitled as a member.

84. What is the evidence of passing of a resolution where poll is demanded:-

A declaration by the Chairman that on an evidence of the show of hands a resolution has or has not been carried, either unanimously or by a particular majority, and an entry to that effect in the book containing the

minutes of the proceedings of the Company shall be conclusive evidence of the fact, without proof of the number or proportion the votes cast in favour of or against such resolution.

85. Demand for Poll:-

- i. Before or on the declaration of the result of voting on any resolution on a show of hands, a poll may be ordered to be taken by the Chairman of his own motion and shall be ordered to be taken by him on a demand made in that behalf by a Member or Members present in person or by Proxy and holding Shares in the Company conferring their powers to vote on such resolution, being Shares which is not less than one tenth of the total voting power in respect of the resolution or on which the aggregate sum of not less than Rupees Five Lac has been paid up.
- ii. If a poll be demanded as aforesaid it shall be taken forthwith on a question of adjournment or election of a Chairman and in any other case in such manner and at such time, not being later than forty-eight hours from the time, when the demand was made, and at such place as the Chairman directs, and subject as aforesaid, either at once or after an interval or adjournment or otherwise, and the results of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was demanded.
- iii. The demand of a poll may be withdrawn at any time by the person or persons who made the demand.
- iv. Where a poll is to be taken, the Chairman in accordance with the provisions of the Act and The Companies (management and administration) rules 2014 shall appoint scrutinizer(s) not being an officer or employee of the company to scrutinize the votes given on the poll and report to him thereon.
- v. On a poll a Member entitled to more than one vote, or his Proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.
- vi. The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.
- vii. No business shall be discussed or transacted at any general meeting whilst the chair is vacant, except election of Chairperson.

86. Special Notice:-

Where, by any provision contained in the Act or these Articles, special notice is required for any resolution, notice of the intention to move the resolution shall be given to the Company not less than fourteen days before the meeting at which it is to be moved exclusive of the day on which the notice is served or deemed to be served and the day if the meeting. The Company shall immediately after the notice of the intention to move any such resolution has been received by it, give its members notice of the resolution in the same manner as it gives notice of the meeting or if that is not practicable, shall give them notice thereof, either by advertisement in a newspaper having an appropriate circulation or in any other mode allowed by those presents not less than seven days before the meeting.

Adjournment of meetings

87. Power to adjourn General meeting:-

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.

88. Business at adjourned meeting:-

No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

89. Notice of adjourned meeting:-

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.

90. Notice of adjourned meeting not required:-

Save as aforesaid, and as provided in the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

91. Resolution Passed at adjourned meeting:-

Where a resolution is passed at an adjourned meeting of the Company, the resolution for all purposes be treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date.

Voting Rights

92. Vote of Members:-

Subject to any rights or restrictions for the time being attached to any class or classes of shares-

- i. on a show of hands, every member present in person shall have one vote; and
- ii. on a poll, the voting rights of members shall be in proportion to their share in the paid-up equity share capital of the Company.

The voting rights of every Member holding preference Shares, if any, shall upon a show of hands or upon a poll be subjected to the provisions, limitations and restrictions laid down in the Act.

Provided that no Body corporate shall vote by Proxy so long as resolution of its Board of Directors under the provisions of Section 113 of the Act is in force and the person named in such resolution is present at the General Meeting at which the vote by Proxy is tendered.

93. Voting by electronic means:-

A Member may exercise his vote if permitted by the Act and the Rules at a meeting or by postal ballot or by electronic means in accordance with the Section 108 of the Act read with the Companies (Management and Administration) Rules, 2014 and shall vote only once.

94. Vote of joint-holders:-

Where there are joint registered holders of any Share, any one of such persons may vote at any meeting either personally or by Proxy in respect of such Share as if he were solely entitled thereto and if more than one of such joint-holders be present at any meeting either personally or by Proxy, then one of the said persons so present whose name stands first on the Register in respect of such Share alone shall be entitled to vote in respect thereof. Several executors or administrators of a deceased Member in whose name any Share is registered shall for the purpose of this Article be deemed joint holders thereof.

95. Votes in respect of deceased, insane and insolvent Members:

- i Any person entitled under these Articles for transfer of Shares may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such Shares, provided that at least forty eight hours before the time of holding the meeting or adjourned meeting, as the case may be, at which he purports to vote he shall satisfy the Board of his right to transfer such Shares, unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.
- ii 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.
- iii If any member be a minor, the vote in respect of his share or shares shall be by his guardian or any one of his guardians.

96. Representation of body corporate:

- i. Subject to the provisions of Section 113 of the Act and rules made there under, A body corporate (whether a Company within the meaning of the Act or not) may, if it is a member or creditor of the

Company (including a holder of debentures) authorize such person as it thinks fit by a resolution of its Board of Directors or other Governing Body, to act as its representative at any meeting of the Company, or any meeting of any class of members of the Company or at any meeting of the creditors of the Company or debenture holders of the Company.

A person authorized by resolution as aforesaid shall be entitled to exercise the same rights and power (including the right to vote by proxy and by postal ballot) on behalf of the body corporate which he represents as that body could exercise if it were an individual members, creditor or holder of debentures of the Company. The production of a copy of the resolution referred above, certified by the Director or the Secretary of such body corporate before the commencement of the meeting shall be accepted by the Company as sufficient evidence of the validity of the said representative's appointment and his right to vote thereat.

- ii. Where the President of India or the Governor of a State is a member of the Company, the President or as the case may be, the Governor, may appoint such person as he thinks fit to act as his representative at any meeting of the Company or at any meeting of any class of members of the Company and such a person shall be entitled to exercise the same rights and powers, including the right to vote by proxy and by postal ballot, as the President or as the case may be the Governor could exercise as a member of the Company.

97. Business may proceed pending poll:-

Any business other than that upon which a poll has been demanded may be preceded with, pending the taking of the poll.

98. Restriction on voting rights:-

No Member shall be entitled to exercise any voting rights either personally or by Proxy at any meeting of the Company in respect of any Shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has, exercised, any right of lien but the Board of Directors may by a resolution passed at the meeting of the Board waive the operation of this Article.

99. Objections raised on voting:-

Any objection as to the admission or rejection of a vote, either on a show of hand or a poll made in due time shall be referred to the Chairman who shall forthwith determine the same and such determination made in good faith shall be final and conclusive. No objections shall be raised to the qualification of any vote 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 the purposes, Whether given personally or through the video conferencing/ Audio-Visual electronic communication or electronic mode as may be permissible.

100. Equal rights of members:-

Any member shall enjoy the same rights and be subject to the same liabilities as all other members of the same class.

Proxy

101. Member may vote in person or otherwise:-

Any member entitled to attend and vote at a general meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that meeting. A proxy need not to be a member of the Company.

102. Proxies when to be deposited:-

The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized copy of that power 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.

103. Form of proxy:-

An instrument appointing a proxy shall be in the form as prescribed in the Section 105 of the Act and Rules there under.

104. Proxies to be valid notwithstanding death of the principal:-

A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

Board of Directors

105. The First Directors of the Company shall be:-

- 1. MR. NAVEEN MADAAN**
- 2. MR. M. S. MADAAN**

106. Number of Directors:-

The number of Directors of the Company shall not be less than three (3) and not more than fifteen (15). Provided that the Company may appoint more than fifteen directors after passing a special resolution of members. The composition of the Board of Directors will be in consonance with the Act. Subject to the provisions of the Act and these Articles, the Company may from time to time increase or reduce the number of Directors within the limits fixed by Article.

107. Debenture Director:-

Any trust deed for securing debenture or debenture stock may, if so arranged, provide for the appointment, from time to time, by the trustees thereof or by the holders of debentures or debenture stock, of some person or persons to be Director(s) of the Company and may empower such trustees or holders of debentures or debenture stock, from time to time, to remove and re-appoint any Director(s) so appointed. The Directors appointed under this Article are herein referred to as "Debenture Directors" and the term "Debenture Directors" means the Directors for the time being in office under this Article. The Debenture Director shall not be liable to retire by rotation or be removed by the Company. The trust deed may contain such ancillary provisions as may be arranged between the Company and the trustees and all such provisions shall have effect notwithstanding any of the other provisions herein contained. But he shall be counted in determining the number of retiring directors.

108. Nominee Directors:-

The Board may authorise by resolution or by agreement with any Financial Institution, corporation or any Bank which continue(s) to be Member of the Company by virtue of being holder of any Share or Shares in the Company or to any of the Financial Institutions, Corporation or Banks to whom any money remains due by the Company to nominate a Director or Directors to the Board from time to time and to remove from such Office any person or persons so appointed and upon removal of any such person to appoint any other person(s) in his/their place. A Director so appointed shall not be required to hold any qualification Shares nor shall (subject to the provisions of the Act) be liable to retire by rotation. But he shall be counted in determining the number of retiring directors. A Director appointed under this Article shall be ex-Officio Director within the meaning of these Articles.

109. Resident Director:-

The Company shall have at least one director in the board who has stayed in India for a total period of not less than one hundred and eighty two (182) days in the previous calendar year.

110. Independent Director:-

- i. The Company shall have at least one third of the total number of directors as independent director as specified in section 149 of the Act as applicable for the time being in force.
- ii. The independent director shall at the first meeting of the Board in which he participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect his status as an independent director, give a declaration that he meets the criteria of independence as provided in sub-section (6) of section 149 of the Act.
- iii. The company and independent directors shall abide by the provisions specified in Schedule IV of the Act.
- iv. Notwithstanding anything contained in any other provision of this Act, but subject to the provisions of sections 197 and 198, an independent director shall not be entitled to any stock option and may receive remuneration by way of fee provided under sub-section (5) of section 197, reimbursement of expenses for participation in the Board and other meetings and profit related commission as may be approved by the members.
- v. Subject to the provisions of section 152, an independent director shall hold office for a term up to five consecutive years on the Board of a company, but shall be eligible for reappointment on passing of a special resolution by the company and disclosure of such appointment in the Board's report.
- vi. The provisions of sub-sections (6) and (7) of section 152 in respect of retirement of directors by rotation shall not be applicable to appointment of independent directors.
- vii. Any intermittent vacancy of an independent director shall be filled by the board at the earliest but not later than immediate next board meeting or three months from the date of such vacancy whichever is later.

111. Directors Remuneration and expenses:-

Subject to the approval of the Board, each Director shall be entitled to receive out of the funds of the Company a fee for attending a meeting of the Board or a Committee of the Board, within the limit permitted, from time to time, by the Act or the Rules made there under. All other remuneration, if any payable by the Company to each Director, whether in respect of his services as a Managing Director or a Director in the whole or part time employment of the Company or otherwise shall be determined in accordance with and subject to the provisions of these Articles and of the Act. The Directors shall be entitled to be paid their reasonable travelling, hotel and other expenses incurred in consequence of their attending the Board and Committee meetings or otherwise incurred in the execution of their duties as Directors or in performing any of the tasks on behalf of the Company.

112. Remuneration for extra service:-

If any Director, being willing, shall be called upon to perform extra services or to make any special exertions for any of the purposes of the Company or as a Members of a Committee of the Board then, subject to provisions of Section 197 and 198 of the Act, the Board may remunerate the Directors so doing either by a fixed sum or by a percentage of profits or otherwise and such remuneration may be either in addition to or in substitution for any other remuneration to which he may be entitled.

113. Appointment of Additional Director:-

Subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the Directors and additional directors together shall not exceed the limit fixed by the Articles or the act or rules made there under. 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.

114. Appointment of alternate director:-

The Board may in accordance with and subject to the provisions of the Act, appoint any person to act as an alternate Director for a Director during the latter's absence for a period of not less than three months from India. No Person shall be appointed as an alternate director to an Independent Director unless he is qualified to be appointed as Independent Director under the provisions of the Act. If the term of office of the Original Director is determined before he returns to India the automatic reappointment of retiring Directors in default of another appointment shall apply to the Original Director and not to the alternate director.

115. Appointment of director to fill casual vacancies:-

If the office of any Director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board. The Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if it had not been vacated.

116. Qualification Shares:-

A Director shall not be required to acquire Qualification Shares.

117. Office or place of profit:-

No director or other person referred to in Section 188 of the Act shall hold an office or place of profit save as permitted by that Section and the Companies (Meetings of Board and its Powers) Rules, 2014.

118. Board may act notwithstanding vacancy:-

In case if the number of directors of the company as fixed by these articles falls below the minimum number of directors then the continuing Directors may act for the purpose of increasing the number of Directors or that fixed for the quorum or for summoning a General Meeting of the Company but for no other purpose.

119. Vacation of office of Director:-

The office of Director shall ipso facto become vacant if at any time he commits any of the acts set out in Section 167 of the Act.

120. Rotation and retirement of Directors:-

At each Annual General Meeting of the Company one third of such of the Directors for the time being as are liable to retire by rotation, or if their number is not three or multiple of three, then the number nearest to one-third shall retire from office. Neither a nominated Director nor an additional Director appointed by the Board or an Independent Director shall be liable to retire by rotation within the meaning of this Article. The Board shall have the power to determine the directors whose period of office is or is not liable to determination by retirement of directors by rotation.

121. Which Directors to retire:-

The Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between persons who became Directors on the same day those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot drawn at a meeting of the Board of Directors and the company may fill up the vacancy by appointing the retiring director or some other person thereto.

122. Removal of Directors:-

The Company may remove any Director other than nominee directors or director appointed by tribunal under section 242 of the Act, before the expiration of his period of office in accordance with the provisions of resolution on and may subject to the provisions of the Act appoint another person if the Director so removed was appointed by the Company in general meeting or by the Board.

123. Appointment of Directors to be voted Individually:-

A motion for the appointment of two or more persons as directors of the company by a single resolution shall not be moved unless a proposal to move such a motion has first been agreed to at the meeting without any vote being cast against it.

124. Board may fill up casual vacancies:-

If any Director appointed by the Company in General Meeting vacates office as a Director, the resulting casual vacancy may be filled up by the Board at a meeting of the Board, but any person so appointed shall retain his office so long only as the vacating Director would have retained the same if no vacancy has occurred. Provided that the Board may not fill such a vacancy by appointing thereto any person who has been removed from the office of Director under these Articles.

125. Provision in default of appointment:-

- i. If the place of retiring Directors is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place or if that day is a National holiday, till the next succeeding day which is not a holiday, at the same time and place.
- ii. If at the adjourned meeting also, the place of the retiring Director is not filled up and the meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned meeting unless:
 - a) at the meeting or the previous meeting a resolution for the re-appointment of such Director has been put to the meeting and lost.
 - b) the retiring Director has by a notice in writing addressed to the Company or its Board of Directors expressed his unwillingness to be so re-appointed.
 - c) he is not qualified or is disqualified for appointment.
 - d) a resolution whether special or ordinary is required for his appointment or reappointment by virtue of any provisions of the Act, or
 - e) Section 162 of the Act is applicable to the case.

Powers of Board

126. General power of Company vested in board:-

Subject to the provisions of the Act, the control of the Company shall be vested in the Board who shall be entitled to exercise all such powers, and to do all such acts and things as the Company is authorised to exercise and do. Provided that the Board shall not exercise any power or do any act or thing which is directed or required, whether by the Act or any other statute or by the Memorandum of the Company or by these Articles or otherwise, to be exercised or done by the Company in a general meeting. Provided further that wherever the Act or any other statute or the Memorandum of the Company or these Articles, provide for exercise of powers by the Board subject to the members approval in a general meeting, the Board shall exercise such powers only with such approval. In exercising any such power or doing any such act or thing, the Board shall be subject to the provisions in that behalf contained in the Act or any other statute or in the Memorandum of the Company or in these Articles, or in any regulations not inconsistent therewith and duly made there under, including regulations made by the Company in a general meeting, but no regulation made by the Company in a general meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

127. Execution of Negotiable Instruments:-

All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board or a committee thereof shall from time to time by resolution, determine.

128. Delegation of Power :-

Subject to the provisions of the Act, the board shall have the power to delegate all or any of the powers hereby conferred upon them, to the Managing Director or to any other Director or any designated officer or employees of the Company or any other person as they may from time to time think fit, other than a power to issue debentures and to make calls on shareholders in respect of moneys unpaid on their Shares.

Borrowing Powers

129. Power to Borrow:-

The Directors may, from time to time, at their discretion, raise or borrow, or secure the payment of, any sum or sums of money for the purposes of the Company; provided that the moneys 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) shall not at any time except with the consent of the Company by way of special resolution in general meeting exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose.

130. Conditions on which money may be borrowed:-

The Directors, with shareholders' consent where required by the Act and Rules, may raise or secure the payment or repayment of such sum or sums in such manner and upon such terms and conditions in all respects as they think fit and in particular, by the issue of debentures or 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.

Proceedings of the Board

131. Meetings of Directors:-

The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit; provided that a meeting of the Board of Directors shall be held as per the provision of the Act, Rules, and Secretarial Standards as applicable from time to time to the Company.

132. Authority to summon Board Meeting:-

The Chairperson or any director in consultation with the chairperson or in his absence, the managing director or in his absence, the whole time director, where there is, or the company secretary or in his absence, any person authorized by the board in this behalf, on the requisition of a director, shall at any time summon the meeting of the board.

133. Time, Place and Day:-

A meeting may be convened anytime and at any place on any day, excluding a national holiday. A meeting adjourned for want of quorum shall also not be held on a national holiday.

134. Adjournment of meeting:-

The Chairman may, unless dissented to or objected by the majority of directors present at a meeting at which a quorum is present, adjourn the meeting for any reason, at any stage of the meeting.

135. Meeting of the Board of Directors and committees thereof through the Video Conferencing or Audio Visual mode:

The Meeting of the Board of directors and/or Committee of the directors may be called and held through the video conferencing and/or Audio Visual communication from time to time as per the rules and regulation as may be provided by the Central Government from time to time. For this purpose, the company shall also comply with the requirements and procedures mentioned in the General Circular No. 28/2011 dated 20.05.2011 issued by Ministry of Corporate Affairs, including any statutory modification, amendment or re-enactment thereof, in addition to the normal procedures required under the Companies Act, 2013 and Companies (Meeting of Board and its Powers) Rules, 2014 for holding meeting of Board/Committee of directors.

Directors shall not participate through electronic mode in the discussion on certain restricted items, unless expressly permitted by the chairman. Such restricted items or business include approval of annual financial statements, board's report, prospectus, matters relating to amalgamation, acquisition, merger, demerger, takeover and audit committee meeting for consideration of annual financial statements including consolidated financial statements, if any.

136. Chairperson:-

The Board may appoint a Chairperson of its meetings. The Board may also appoint a Vice Chairman to preside over the meeting of the Board in absence of Chairman. If no such Chairman/Vice Chairman is appointed or if at any meeting of the Board, the Chairman/Vice Chairman is not present within five minutes after the time appointed for holding the same, the Directors present shall choose someone of their member to be the Chairman of such meeting.

137. Duration of Board meetings:-

A meeting of the Board of Directors shall meet at least once in every calendar quarter, with a maximum interval of one hundred and twenty days between any two consecutive Meetings of the Board, such that at least four Meetings are held in each calendar year.

138. How questions to be decided:-

Subject to the provisions of the Act and save as otherwise decided expressly provided in these Articles, questions arising at any meetings shall be decided by a majority of votes. In case of equality of votes, the chairperson of the Board, if any, shall have a second and casting vote.

139. Quorum:-

The quorum for a meeting of the Board shall be determined from time to time in accordance with the provisions of Section 174 of the Act. If a quorum shall not be present within 15 minutes of the time appointed for holding a meeting of the Board, it shall be adjourned until such date and time as the Chairman of the Board shall decide. The participation of the Directors through video conferencing or other audio visual shall be counted for the purpose of quorum, unless they are to be excluded for any items of business under the provisions of the act or any other law.

140. Resolutions by circulation:-

Save in those cases where a resolution is required by Sections 161(4), 179 , 182, 184, 186, 188, 203 of the Act, to be passed at a meeting of the Board, a resolution shall be as valid and effectual as if it had been passed at a meeting of the Board or Committee of the Board, as the case may be duly called and constituted if a draft thereof in writing is circulated, together with the necessary papers, if any, to all the Directors or to all the members of the Committee of the Board as the case may be then in India, not being less in number than the quorum fixed for meeting of the Board or Committee, as the case may be and to all other Directors or member of the Committee, at their usual address whether in India and has been approved by such of them as are then in India or by a majority of such of them as are entitled to vote on the resolution. Provided that where not less than one third of the Directors of the Company for the time being require that resolution under circulation be decided by the Board at a meeting, the Chairman shall put the resolution to be decided at a meeting of the Board.

141. Power to appoint committee and delegate:-

The Board may, subject to the provisions of the Act, from time to time and at any time, committees and delegate any of its powers to a committee consisting of such Director or Directors as it thinks fit and may, from time to time revoke such delegation. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed upon it by the Board.

142. Chairperson of Committee:-

A committee may elect a Chairperson of its meetings. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

143. Proceedings of Committee meeting:-

A committee may meet and adjourn as it thinks fit. Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

144. When acts of a Director valid notwithstanding defective appointment:-

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.

145. Signing of attendance sheet:-

Every Director present at any meeting of the Board or of a committee thereof shall sign his name in the attendance book or attendance sheet kept for that purpose or submit a duly signed attendance slip which shall be maintained as part of the book to be kept for that purpose.

Minutes

146. Minutes to be made:-

- i. The Board shall in accordance with the provision of Section 118 of the Act, Secretarial Standards as may be applicable from time to time and the Companies (Management and Administration) Rules, 2014, cause minutes to be kept of every general meeting of the Company and of every meeting of the Board or of every committee of the Board.
- ii. Any such minutes of any meeting of the Board or of any Committee of the Board or of the Company in General Meeting, shall be prepared in accordance with Secretarial Standards issued by Institute of Company Secretary of India, and to be kept in accordance with the provisions of Section 118 of the Act and the Companies (Management and Administration) Rules, 2014, and shall be evidence of the matters stated in such minutes. The Minute Books of General Meetings of the Company shall be kept at the Registered Office and shall be open to inspection by Members as per the provisions of the Act or the Rules made there under. The Minutes books of general meeting may also be kept for inspection in electronic mode as prescribed under the Companies (Management and Administration) Rules, 2014.

Managing Director, Whole-Time Directors

147. Powers to Board to appoint managing or Whole-time Directors(s):-

Subject to the provisions of the Act, and of these Articles, the directors shall have powers to appoint from time to time one or more of their body to be Managing Director or Managing Directors (in which expression shall be included Joint or Deputy Managing Director) or Whole-time Director or Whole-time Directors of the Company, for such term not exceeding five years at a time and upon such terms and conditions as they may think fit, from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.

148. Powers and Duties of Managing/Whole Time Directors:-

Subject to the provisions of the Act and of these Articles, the Company or the Board may from time to time entrust to and confer upon a Managing Director or Managing Directors or Whole-time Director or Whole-time Directors for the time being, such of the power exercisable under these Articles or otherwise by the Directors as they may think fit, and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms, and they may subject to the provisions of the Act and of these Articles confer such powers either collaterally with, or to the exclusion of or in substitution for all, or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any of such powers.

149. Remuneration:-

Subject to the provisions of the Act, Schedule V and of these Articles and of any contract between him and Director(s), the remuneration of the Managing Director or Whole Time Director shall from time to time be fixed by the Board of Directors, subject to the approvals of the Members of Company and may be by way of fixed payment and/or perquisites or commission on profits of the Company or by participation in such profits or by any or all of these modes or any other mode not expressly prohibited by the Act. A Managing Director or Whole Time Director shall in addition to the above remuneration be entitled to the fee for attending meetings of Board or Committee of Directors.

Chief Executive officer, Manager, Company Secretary, Chief Financial officer

150. Key Managerial Personnel:-

Subject to the provisions of the Act and the rules framed, 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.

A Director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

151. Same person not authorized to act in different capacity:-

A provision of the Act or these regulations requiring or authorising a thing to be done by or to a Director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

Registers

152. Registers and Documents to be maintained by Company:-

The Company shall duly keep and maintain at the registered office, all statutory registers including, register and index of members and debenture holders, Foreign register, register of directors and secretary, register as to holdings by directors of shares and/or debentures, register of charges, register of Loan, Investment and guarantee, register of duplicate share certificate, copies of annual return, register of investments not held in its own name and register of contracts and arrangements, in accordance with the Act and Rules made there under in electronic form or in such form and in such manner as may be prescribed under the Act or the Rules.

153. Supply of copies of registers:-

Subject to the provisions of the act and the rules made there under, the company shall supply of copies of the registers, deeds, documents, instruments, returns, certificates, and books herein mentioned to the persons herein specified when so required by such persons on payment, where required, of such fees as may be fixed by the Board but not exceeding charges as prescribed by the said Sections of the Act and Rules framed there under.

154. Inspection of Registers etc:-

Where under any provision of the Act or Rules any person whether a Member of the Company or not, is entitled to inspect any register, return, certificate, deed, instrument or document (including electronic records) required to be kept or maintained by the Company, the person so entitled to inspection shall be permitted to inspect the same during such business hours and place as may be determined by the Board under the provisions of the Act and the Rules there under.

The Seal

155. Custody of Seal:-

The Company shall have a common Seal and the Directors shall provide for the safe custody thereof. The Seal shall not be affixed to any instrument except by the authority of a resolution of the Board of Directors or a committee of the Board authorized in that behalf, and in the presence of at least two Directors and of the secretary of the Company or such other person as the Board may appoint for the purpose, and those two directors and secretary or other person aforesaid shall sign every instrument to which the Seal of the company is so affixed in their presence.

Dividends and Reserves

156. Declaration of Dividends:-

The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board. Subject to the provisions of section 123 of the Act, 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.

157. Dividends only to be paid out of profits:-

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.

158. Carry forward of profits:-

The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

159. Division of profits:-

- 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 Article 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.

160. No member to receive dividend whilst indebted to the Company and the company's right of reimbursement thereof:-

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.

161. Instrument of payment :-

Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

162. Payment of Dividend to Member on mandate:-

No dividend shall be paid in respect of any Share except to the registered holder of such Share or to his order or to his bankers, but nothing contained in the Article shall be deemed to require the bankers of a registered shareholder to make a separate application to the Company for the payment of the dividend.

163. Dividend to joint shareholders:-

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.

164. Notice of Dividend:-

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.

165. No Interest on Dividend:-

No dividend shall bear interest against the Company.

166. Unclaimed Dividends:-

All unclaimed dividend along with interest accrued shall not be forfeited but shall be credited to a special bank account as per Section 124 of the Act, and after a period of seven (7) years transferred to Investor Education and Protection Fund established by the Central Government in terms of Section 125 of the Act.

167. Forfeiture of Dividend:-

The Company agrees that it will not forfeit unclaimed dividend before the claim becomes barred by law and that such forfeiture, when affected will be annulled in appropriate cases.

Accounts

168. Books to be kept:-

The Board shall cause proper books of account to be kept in accordance with Section 128 of the Act.

169. Place of keeping books of accounts:-

Subject to the provisions of the Act, the books of account shall be kept at the Registered Office or at such other place in India as the Board may decide and when the Board so decides, the Company shall, within seven days of the decision, file with the Registrar of Companies a notice in writing giving the full address of that other place. The books can also be kept in electronic mode as prescribed by the Act and Rules subject to compliance of prescribed guidelines.

170. Balance Sheet and Profit and Loss Account:-

At every Annual General Meeting, the Board shall lay before the Company the financial statements including Consolidated financial statements in accordance with the provisions of Section 129 of the Act read with the Companies (Accounts) Rules, 2014, and such financial statements including consolidated financial statements shall comply with the requirements of Sections 129, 133 and 134 and of Schedule III to the Act so far as they are applicable to the Company but, save as aforesaid the Board shall not be bound to disclose greater details of the result or extent of the trading and transactions of the Company than it may deem expedient.

171. Director's Report:-

There shall be attached to every Balance Sheet laid before the Company in the Annual General Meeting a report by the Board complying with Section 134 of the Act.

172. Copies to be sent to Members and others:-

A copy of every financial statements including consolidated financial statements, Auditors report and every document required by law to be annexed or attached to the balance sheet shall, as provided by Section 136 of the Act, not less than twenty-one days before the annual general meeting be sent to every such Member, debenture-holder, trustee and other person to whom the same is required to be sent by the said Section either electronically or through such other mode as may be prescribed by the Rules.

173. Copies of balance Sheet etc. to be filed with the Registrar:-

The Company shall comply with Section 137 of the Act as to filing copies of the financial statement including consolidated financial statement and documents required to be annexed or attached thereto with the Registrar of Companies.

174. Copies of balance Sheet etc. to be filed with the Registrar:-

A copy of every financial statements including consolidated financial statements, Auditors report and every document required by law to be annexed or attached to the balance sheet shall, as provided by Section 136 of the Act, not less than twenty-one days before the annual general meeting be sent to every such Member, debenture-holder, trustee and other person to whom the same is required to be sent by the said Section either electronically or through such other mode as may be prescribed by the Rules.

175. Inspection by Director:-

The Books of account shall be open to inspection by any Director during business hours in accordance with the applicable provisions of the Act and the Rules.

176. Restriction on inspection by members:-

- 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 books of account and books and documents of the Company, or any of them, shall be open to the inspection of the Members not being Directors.
- ii. No Member (not being a Director) shall have any right of inspecting any books of account or books or documents of the Company except as conferred by law or authorised by the Board or by Company in a general meeting.

177. Accounts to be audited:-

Once at least in every year the accounts of the company shall be examined, balance and audited and the correctness of the Profit and loss Account and Balance sheet ascertained by one or more Auditor or Auditors.

178. Appointment, Remuneration, Rights and Duties of Auditor:-

The appointment, powers, rights, remuneration and duties of the auditors shall be regulated by Sections 139 to 146 and Section 148 of the Act.

Winding up

179. Distribution of assets:-

Subject to the provisions of Chapter XX of the Act and Rules there under, If the Company shall be wound up and the assets available for distribution among Members as such shall not be sufficient to repay the whole of the Paid-up capital such assets shall be distributed so that as nearly as may be and the losses shall be borne by the Members in proportion to the capital paid up at the commencement of the winding up, on the Shares held by them respectively. And if in a winding-up assets available for distribution among the Members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding-up, the excess shall be distributed amongst the Members in proportion to the capital at the commencement of the winding-up Paid-up or which ought to have been paid up on the Shares held by them respectively. But this Article is to be without prejudice to the rights the holders of Shares issued upon special terms and conditions. Preference shareholders shall have prior rights to repayment of capital and dividends due.

180. Distribution of assets in specie or kind:-

- 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.

Indemnity and Insurance

181. Indemnity to Directors and Officers:-

Subject to the provisions of the, Act every Director, Managing Director, Whole-Time Director manager, secretary or officer of the Company or any person (whether an officer of the Company or not) employed by the Company and any person appointed as auditor shall be indemnified out of the funds of the Company against all bonafide liabilities incurred by him as such Director, Managing Director, whole-time Director manager, secretary officer, employee or Auditor in defending any proceedings, whether civil or criminal in which judgment is given in his favour, or in which he is acquitted or in connection with any application under the Section 463 of the Act in which relief is granted to him by the Court.

182. Insurance Policy for indemnity:-

The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former Directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.

General Power

183. General powers under the Article:-

Wherever in the Act or the Rules, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.

Secrecy Clause

184. Secrecy:-

Every Director, manager, secretary, Trustee for the Company, its Member or debenture-holder, members of a Committee, officer, servant, agent, accountant, other person employed in or about the business of the Company shall, if so required by the Board or by a Managing Director before entering upon his duties, sign a declaration pledging himself to observe a strict secrecy respecting all transactions of the Company with its customers and the state of accounts with individuals and in matters relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Board or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these Articles contained.

185. No shareholder to enter the premises of the company without permission:-

No shareholder, or other person (not being a Director) shall be entitled to enter upon the premises of the Company property of the Company or to inspect or examine the premises or properties of the Company without permission without the permission of the Board or subject to Article 161 to require discovery of or any information respecting any details of the trading of the Company or any matter which is or may be in the nature of a trade secret, mystery of trade, or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to communicate.

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 November 16, 2017 to our Company.
- 2) MOU dated September 17, 2018 between our Company and the Lead Manager.
- 3) MOU dated September 17, 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 [•].
- 6) Market Making Agreement dated [•] between our Company, the Lead Manager and the Market Maker.
- 7) The Company has entered into tripartite agreement between NSDL, the Company and the Registrar to the Issue dated [•] The Company has entered into tripartite agreement between CDSL, the Company and the Registrar to the Issue dated September 05, 2018.

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 August 06, 2018 authorizing the Issue.
- 3) Special Resolution of the shareholders passed at the AGM held on August 16, 2018 authorizing the Issue.
- 4) Copies of Audited Financial Statements of our Company for the financial year ending March 31, 2018, 2017, 2016, 2015 & 2014.
- 5) Statement of Tax Benefits dated July 30, 2018 issued by Statutory Auditors, M/s P.K. Shishodiya & Co., Chartered Accountants.
- 6) Report of the Peer Review Auditor, M/s P.K. Shishodiya & Co., Chartered Accountants, on the Restated Financial Statements for Financial Year ended as on March 31, 2018, 2017, 2016, 2015 and 2014 of our Company.
- 7) Copy of Certificate from the Peer Review Auditors of our Company, M/s P.K. Shishodiya & Co., Chartered Accountants, dated September 17, 2018 regarding the Eligibility of the Issue.
- 8) Consents of Promoters, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditors, Peer Review 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.
- 9) Copy of approval from NSE *vide* letter dated [•] to use the name of NSE in the offer document for listing of Equity Shares on NSE SME Platform[NSE Emerge].
- 10) Due Diligence Certificate dated September 28, 2018 issued by the Lead Manager i.e. Mark Corporate Advisors Private Limited.
- 11) Copy of certificate from the Statutory Auditor of our Company, M/s P.K. Shishodiya & Co., Chartered Accountants, regarding source and deployment of funds as on September 17, 2018.

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:

Mangal Sain Madaan

Managing Director

DIN: 000829944

Sd/-

Aakarshit Madaan

Executive Director

DIN: 03386001

Sd/-

Ruchi Sogani

Additional Independent Director

DIN: 02805170

Sd/-

Sobhag Shambhu Singh

Non-Executive Independent Director

DIN: 07223525

Sd/-

Vijay Singh Bharaktiya

Additional Independent Director

DIN: 00017285

Sd/-

Signed by the Chief Financial Officer & Company Secretary of our Company:

Santosh Kumar Binake

Chief Financial Officer

Sd/-

Ruchi Barche

Compliance Officer

Sd/-

Place : Indore

Date : September 28, 2018