



## RAJSHREE POLYPACK LIMITED

Our Company was originally formed as a partnership firm under the Partnership Act, 1932 ("Partnership Act") in the name of M/s Rajshree Industries, pursuant to a deed of partnership dated October 23, 2003. The name of M/s Rajshree Industries was changed to M/s Rajshree Polypack pursuant to a deed of re-constitution dated September 1, 2011. The said partnership was thereafter converted from a partnership firm to a private limited company under Part IX of the Companies Act, 1956 and registered with the Registrar of Companies, Mumbai with the name of "Rajshree Polypack Private Limited" on October 15, 2011. Subsequently, our Company was converted into a public limited company pursuant to a special resolution passed by our shareholders dated March 24, 2017 and the name of our Company was changed to "Rajshree Polypack Limited" to reflect the legal status of our Company pursuant to a fresh certificate of incorporation granted by the Registrar of Companies, Mumbai dated August 3, 2017. For further details of the change in name and registered office of our Company, please refer to chapter titled "*History and Certain Corporate Matters*" beginning on page 156 of this Draft Red Herring Prospectus.

**Registered Office:** #503-504, 5<sup>th</sup> Floor, Lodha Supremus, Road No. 22, Kishan Nagar, Near New Passport Office, Wagle Estate, Thane (W) – 400604, Maharashtra, India.

**Corporate Office:** #212, 2<sup>nd</sup> Floor, Lodha Supremus, Road No. 22, Kishan Nagar, Near New Passport Office, Wagle Estate, Thane (W) – 400604, Maharashtra, India.

**Tel.:** +91-22 25818200 | **Fax:** +91-22 25818250 | **E-mail:** cosec@rajshreepolypack.com | **Website:** www.rajshreepolypack.com

**Contact Person:** Mitali Rajendra Shah, Company Secretary and Compliance Officer | **Corporate Identification No.:** U25209MH2011PLC223089

### OUR PROMOTERS: RAMSWAROOP RADHESHYAM THARD, NARESH RADHESHYAM THARD AND SAJJAN N. RUNGTA HUF

INITIAL PUBLIC OFFERING OF UP TO 32,57,939\* EQUITY SHARES OF FACE VALUE OF RS.10 EACH ("EQUITY SHARES") OF RAJSHREE POLYPACK LIMITED (OUR "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF RS. [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF RS. [●] PER EQUITY SHARE (THE "ISSUE PRICE"), AGGREGATING UP TO RS. [●] LAKHS (THE "ISSUE"). THE ISSUE INCLUDES A RESERVATION OF UP TO [●] EQUITY SHARES OF FACE VALUE OF RS.10 EACH FOR CASH AT A PRICE OF RS. [●] PER EQUITY SHARE AGGREGATING UP TO RS. [●] LAKHS FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. [●] EQUITY SHARES OF FACE VALUE OF RS.10 EACH FOR CASH AT A PRICE OF RS. [●] PER EQUITY SHARE, AGGREGATING TO RS. [●] LAKHS IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [●] % AND [●] % RESPECTIVELY, OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

\*Our Company may consider issuing up to 2,97,939 Equity Shares on private placement basis for cash consideration aggregating upto [●] Lakhs, at its discretion in favour of such investors permissible under applicable laws, to be completed prior to filing of the Red Herring Prospectus with the RoC ("Pre-IPO Placement") and the details of which, if completed, will be included in the Red Herring Prospectus. If the Pre-IPO Placement is completed, the number of shares allotted pursuant to such Pre-IPO Placement will be reduced from the Issue, subject to compliance with Rule 19(2)(b) of SCRR. Promoters and members of the Promoter Group may participate in the Pre-IPO Placement. Whether or not the Promoters and members of the Promoter Group participate in the Pre-IPO Placement, they will not participate in the Issue.

THE FACE VALUE OF THE EQUITY SHARE IS RS. 10 EACH. THE PRICE BAND AND THE MINIMUM BID LOT AND RUPEE AMOUNT OF THE DISCOUNT, IF ANY, TO THE RETAIL INDIVIDUAL BIDDERS WILL BE DECIDED BY THE COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER AND WILL BE ADVERTISED IN ALL EDITIONS OF [●], AN ENGLISH DAILY NEWSPAPER, ALL EDITIONS OF [●], A HINDI DAILY NEWSPAPER AND MUMBAI EDITION OF [●], A MARATHI NEWSPAPER (MARATHI BEING THE LOCAL LANGUAGE OF MAHARASHTRA, WHERE OUR REGISTERED OFFICE IS SITUATED) EACH WITH WIDE CIRCULATION, AT LEAST FIVE (5) WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO THE EMERGE PLATFORM OF NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE EMERGE") FOR THE PURPOSE OF UPLOADING ON ITS WEBSITE.

In case of any revision to the Price Band, the Bid/Issue Period will be extended by at least three (3) additional Working Days after such revision of the Price Band, subject to the Bid/Issue Period not exceeding ten (10) Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be widely disseminated by notification to the NSE EMERGE by issuing a press release, and also by indicating the change on the website of the Book Running Lead Manager and at the terminals of the Syndicate Members and by intimation to the Designated Intermediaries.

In terms of Rule 19(2)(b)(i) of the SCRR this Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. The Issue is being made through Book Building Process in accordance and compliance with Chapter XB and other applicable provisions of SEBI ICDR Regulations wherein upto [●]% of the Net Issue shall be available for allocation on a proportionate basis to QIBs, provided that our Company, in consultation with the Book Running Lead Manager may allocate upto [●]% of the QIB Portion to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for Mutual Funds, subject to valid Bids being received from Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, if any, in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Bidders, subject to valid Bids being received from them at or above the Issue Price. Under-subscription, if any, in any categories except the QIB Portion, would be met with spill-over from any other category or categories, as applicable, on a proportionate basis, subject to applicable law. All potential investors (except Anchor Investors) shall participate in this Issue mandatorily through the Applications Supported by Blocked Amount ("ASBA") process by providing details of their respective bank accounts which will be blocked by SCSBs. Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA process. For details, please refer to chapter titled "*Issue Procedure*" beginning on page 313 of this Draft Red Herring Prospectus.

### RISK IN RELATION TO THE FIRST ISSUE

This being the first public Issue of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is Rs. 10 each. The Floor Price is [●] times the face value and the Cap Price is [●] times the face value. The Issue Price (as determined and justified by our Company in consultation with the Book Running Lead Manager on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process) as stated in the section titled "*Basis for Issue Price*" beginning on page 93 of this Draft Red Herring Prospectus, should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares 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 entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the Draft Red Herring Prospectus. Specific attention of the investors is invited to the section titled "*Risk Factors*" beginning on page 20 of this Draft Red Herring Prospectus.

### COMPANY'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring 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 Red Herring 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 Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

### LISTING

The Equity Shares of our Company issued through the Red Herring Prospectus are proposed to be listed on NSE EMERGE, in terms of the Chapter XB of SEBI ICDR Regulations. Our Company has received an 'in principle' approval from NSE EMERGE vide letter dated [●] for using its name in the Issue document for listing of our shares on the NSE EMERGE. For the purpose of this Issue, National Stock Exchange of India Limited shall be the Designated Stock Exchange.

### BOOK RUNNING LEAD MANAGER TO THE ISSUE



#### PL CAPITAL MARKETS PRIVATE LIMITED

3<sup>rd</sup> Floor, Sadhana House, 570, P. B. Marg, Worli, Mumbai - 400 018, Maharashtra

**Tel No.:** +91 22 6632 2222

**Fax No.:** +91 22 6632 2229

**E-mail:** rajshreeipo@plindia.com

**Website:** www.plindia.com

**Investor Grievance ID:** grievance-mbd@plindia.com

**Contact Person:** Rohan Menon

**SEBI Registration Number:** INM000011237

### REGISTRAR TO THE ISSUE



#### LINK INTIME INDIA PRIVATE LIMITED

C-101, 247 Park, L.B.S Marg, Vikhroli West, Mumbai – 400083, Maharashtra

**Tel No.:** +91 22 49186200

**Fax No.:** +91 22 49186195

**E-mail:** rajshree.ipo@linkintime.co.in

**Website:** www.linkintime.co.in

**Investor Grievance ID:** rajshree.ipo@linkintime.co.in

**Contact Person:** Shanti Gopalkrishnan

**SEBI Registration Number:** INR000004058

### BID/ISSUE PROGRAMME

**BID/ISSUE OPENS ON\*:** [●]

**BID/ISSUE CLOSURES ON\*\*:** [●]

\*Our Company may, in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period shall be one (1) Working Day prior to the Bid / Issue Opening Date.

\*\*Our Company may, in consultation with the Book Running Lead Manager, consider closing the Bid/Issue Period for QIBs one (1) Working Day prior to the Bid/Issue Closing Date, in accordance with SEBI ICDR Regulations.

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## SECTION I - GENERAL

### DEFINITIONS AND ABBREVIATIONS

This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies or unless otherwise specified, shall have the meaning as provided below. References to any legislation, act, regulations, rules, guidelines or policies shall be to such legislation, act, regulations, rules, guidelines or policies as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

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

Notwithstanding the foregoing, the terms not defined but used in the chapters titled “*Statement of Tax Benefits*”, “*Financial Statements*”, “*Outstanding Litigation and Material Developments*” and section titled “*Main Provisions of Articles of Association*” beginning on pages 100, 188, 277 and 365, respectively, shall have the meanings ascribed to such terms in the respective sections.

#### General Terms

Term	Description
“Rajshree Polypack Limited”/ “RPPL”/ “the Company” / “the Issuer”/ “We” / “Us” / “our Company”	Unless the context otherwise indicates or implies, refers to Rajshree Polypack Limited, a public limited company incorporated under the provisions of the Companies Act, 1956 with its registered office at #503-504, 5 <sup>th</sup> Floor, Lodha Supremus, Road No. 22, Kishan Nagar, Near New Passport Office, Wagle Estate, Thane (W) – 400604, Maharashtra, India
Promoter(s) / Core Promoter(s)	The Promoters of our Company are: (a) Ramswaroop Radheshyam Thard, (b) Naresh Radheshyam Thard and (c) Sajjan N. Rungta HUF
Promoter Group	Such persons, entities and companies constituting our promoter group pursuant to Regulation 2(1)(zb) of SEBI ICDR Regulations as disclosed in the chapter titled “ <i>Our Promoter and Promoter Group</i> ” beginning on page 180 of this Draft Red Herring Prospectus

#### Company related terms

Term	Description
Articles/ Articles of Association / AOA	The articles of association of our Company, as amended from time to time
Audit Committee	The audit committee of our Board
Board/ Board of Directors	The Board of Directors of our Company, as duly constituted from time to time including any committees thereof, as the context may refer to
Company Secretary and Compliance Officer	The Company Secretary & Compliance Officer of our Company being Mitali Rajendra Shah
Directors	Director(s) of Rajshree Polypack Limited, unless otherwise specified
ISIN	International Securities Identification Number

<b>Term</b>	<b>Description</b>
Equity Share(s)	Equity Shares of our Company having face value of Rs. 10 each, fully paid up, unless otherwise specified in the context thereof
Equity Shareholders	Persons/ entities holding Equity Shares of our Company
Financial Statements	The audited and restated financial statements of our Company for six (6) months ended September 30, 2017 and for each of the years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 which comprise of the restated statement of assets and liabilities, the restated statement of profit and loss, the restated statement of cash flow, and the significant accounting policies together with the annexures and notes thereto and Auditors report thereon, as prepared and presented in accordance with Indian GAAP, as applicable, in each case restated in accordance with the requirements of Section 26 of the Companies Act read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014, SEBI ICDR Regulations and the Guidance Note on “Reports in Company Prospectus (Revised 2016)” issued by ICAI
Group Companies	The group companies covered under the applicable accounting standards (i.e. Accounting Standard 18 issued by the ICAI), or other companies as considered material by our Board, as described in the chapter titled “ <i>Our Group Companies</i> ” beginning on page 185 of this Draft Red Herring Prospectus
Independent Directors	Independent directors on the Board, and eligible to be appointed as an independent director under the provisions of Companies Act and SEBI Listing Regulations. For details of the Independent Directors, please refer to chapter titled “ <i>Our Management</i> ” beginning on page 164 of this Draft Red Herring Prospectus
KMPs/ Key Managerial Personnel	Key management personnel of our Company in terms of Regulation 2(1)(s) of SEBI ICDR Regulations and Section 2(51) of the Companies Act, 2013 and individuals described in the chapter titled “ <i>Our Management</i> ” beginning on page 164 of this Draft Red Herring Prospectus.
MoA / Memorandum/ Memorandum of Association	The memorandum of association of our Company, as amended from time to time
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board described in the chapter titled “ <i>Our Management</i> ” beginning on page 164 of this Draft Red Herring Prospectus
Registered Office and Corporate Office	The registered office of our Company located at #503-504, 5 <sup>th</sup> Floor, Lodha Supremus, Road No. 22, Kishan Nagar, Near New Passport Office, Wagle Estate, Thane (W) – 400604, Maharashtra, India and the corporate office of our Company is located at #212, 2 <sup>nd</sup> Floor, Lodha Supremus, Road No. 22, Kishan Nagar, Near New Passport Office, Wagle Estate, Thane (W) – 400604, Maharashtra, India
Registrar of Companies/ RoC	Registrar of Companies, Mumbai located at 100, Everest, Marine Drive, Mumbai- 400002, India
Statutory and Peer Reviewed Auditor / Auditors	Our Statutory and Peer Reviewed Auditors, S G C O & Co. LLP, Chartered Accountants (Firm Registration No. 112081W/W100184)

## Issue related terms

Term	Description
Abridged Prospectus	Abridged Prospectus to be issued under Regulation 58 of SEBI ICDR Regulations and appended to the Bid cum Application Form
Allot / Allotted / Allotment/ Allotment of Equity Shares	Unless the context otherwise requires, the allotment of the Equity Shares pursuant to the Issue
Allotment Date	Date on which the Allotment is made
Allottee(s)	The successful bidder to whom the Equity Shares are being / have been allotted
Allotment Advice	Note, advice or intimation of Allotment sent to the Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion, who has Bid for an amount of at least Rs. 1,000 Lakhs
Anchor Investor Bid/ Issue Period	The day, one (1) Working Day prior to the Bid/Issue Opening Date, on which the Bids by Anchor Investors shall be submitted and allocation to the Anchor Investor shall be completed
Anchor Investor Issue Price	The price at which Allotment will be made to Anchor Investors in terms of the Red Herring Prospectus and Prospectus, which will be a price equal to or higher than the Issue Price but not higher than the Cap Price. The Anchor Investor Issue Price will be decided by our Company in consultation with the BRLM
Anchor Investor Portion	Up to 60% of the QIB Portion which, may be allocated by our Company in consultation with the BRLM, to Anchor Investors, on a discretionary basis. One third of the Anchor Investor Portion is reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Issue Price
Application Supported by Blocked Amount/ ASBA	An application, whether physical or electronic, used compulsorily by all ASBA Bidders (except Anchor Investors) to make a Bid authorizing the SCSBs to block the Bid Amount in their ASBA Account.
Application Supported by Blocked Amount Form /ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders, which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
ASBA Account	A bank account maintained with an SCSB and which will be blocked by such SCSB to the extent of Bid Amount of the ASBA Bidder/ Applicant
ASBA Bidder	A Bidder, other than Anchor Investors in this Issue, who Bids through ASBA process
Bankers to the Company	HDFC Bank Limited and IndusInd Bank Limited
Bankers to the Issue / Escrow Collection Banks	The banks which are Clearing Members and registered with SEBI under Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 as Banker to an Issue with whom the Escrow Agreement is entered into and in this case, being [●]
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Bidders under the Issue and which is described in the chapter titled “Issue Procedure” beginning on page 313 of this Draft Red Herring Prospectus
Bid	An indication to make an offer during the Bid Period by a Bidder (other than an Anchor Investor), or on the Anchor Investor Bid/Issue Period by an Anchor Investor, to subscribe or purchase the Equity Shares of our

<b>Term</b>	<b>Description</b>
	Company at a price within the Price Band, including all revisions and modifications thereto
Bidder / Applicant	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form, including an Anchor Investor unless stated or implied otherwise
Bidding	The process of making a bid
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and payable by the Bidder/blocked in the ASBA Account on submission of a Bid in the Issue
Bid cum Application Form	The form used by a Bidder, including an ASBA Bidder, to make a Bid and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Bid Price	The prices indicated against each optional Bid in the Bid cum Application Form
Bid/Issue Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids being [●], which shall be notified in all editions of [●], an English daily newspaper, all editions of [●], a Hindi daily newspaper and Mumbai edition of [●], a Marathi newspaper (Marathi being the local language of Maharashtra, where our Registered Office is situated) each with wide circulation and in case of any revision, the extended Bid/Issue Closing Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under SEBI ICDR Regulations. Further, our Company in consultation with the BRLM, may decide to close Bidding by QIBs one (1) day prior to the Issue Closing Date which shall also be notified in an advertisement in same newspapers in which the Issue Opening Date was published
Bid/Issue Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids being [●], which shall be notified in all editions of [●], an English daily newspaper, all editions of [●], a Hindi daily newspaper and Mumbai edition of [●], a Marathi newspaper (Marathi being the local language of Maharashtra, where our Registered Office is situated) each with wide circulation
Bid/Issue Period	Except in relation to Anchor Investors, the period between the Bid/Issue Opening Date and the Bid/Issue Closing Date (inclusive of such date and the Bid/Issue Opening Date) during which prospective Bidders, other than Anchor Investors, can submit their Bids, inclusive of any revision thereof. Provided however that the Bidding shall be kept open for a minimum of three (3) Working Days for all categories of Bidders, other than Anchor Investors. Our Company, in consultation with the BRLM, may decide to close Bidding by QIBs one (1) day prior to the Bid/Issue Closing Date which shall also be notified in an advertisement in same newspapers in which the Bid/Issue Opening Date was published.
Bid Lot	[●] Equity Shares
Book Building Process / Method/Book Built	The book building route as provided under Schedule XI of SEBI ICDR Regulations



<b>Term</b>	<b>Description</b>
Book Running Lead Manager / BRLM	Book Running Lead Manager to this Issue, being PL Capital Markets Private Limited
Broker Centres/ Bidding Centres	Broker centres notified by NSE where Bidders can submit the Bid cum Application Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Brokers, are available on the website of the NSE
CAN / Confirmation of Allocation Note	A note or advice or intimation sent to Investors, who have been allotted the Equity Shares, after approval of Basis of Allotment by the Designated Stock Exchange
Cap Price	The higher end of the Price Band, in this case being Rs. [●], and any revisions thereof, above which the Issue Price will not be finalized and above which no Bids will be accepted
Client ID	Client identification number of the Bidder's beneficiary account
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. GR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Controlling Branches/ Controlling Branches of the SCSBs	Such branches of the SCSBs which co-ordinate Bids by the ASBA Bidders with the Registrar to the Issue and NSE EMERGE and a list of which is available at <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time
Cut-Off Price	Issue Price, as categorized by our Company in consultation with the BRLM. Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIBs and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price
Demographic Details	The demographic details of the Bidders such as their address, PAN, occupation and bank account details
Depositories	NSDL and CDSL or any other Depositories registered with 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
Depository Participant/DP	A depository participant registered with SEBI under the Depositories Act.
Prospectus	The Prospectus dated [●] issued in accordance with Section 32 of the Companies Act and filed with NSE EMERGE under SEBI ICDR Regulations
Designated Date	The date on which funds are transferred by the Escrow Collection Bank(s) from the Escrow Account, or the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, following which the Board of Directors shall Allot the Equity Shares to successful Applicants in the Issue
Designated Intermediaries	The members of the Syndicate, sub-syndicate/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are categorized to collect Bid cum Application Forms from the Bidders, in relation to the Offer
Designated Stock Exchange	EMERGE Platform of NSE
Designated CDP Locations	Such centers of the CDPs where Bidders can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the CDPs eligible to accept ASBA Forms are available on the website of NSE

<b>Term</b>	<b>Description</b>
Designated SCSB Branches	Such Branches of the SCSBs which shall collect the ASBA Forms used by the Bidders, a list of which is available on <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a>
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with the names and contact details of the RTAs are available on the website of NSE
Designated Market Maker	Prabhudas Lilladher Private Limited will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI ICDR Regulations
Draft Red Herring Prospectus or DRHP	This draft red herring prospectus dated March 24, 2018 filed with NSE EMERGE, prepared and issued by our Company in accordance with SEBI ICDR Regulations.
Eligible NRI	NRI eligible to invest under Schedule 3 and Schedule 4 of the FEMA Regulations, from jurisdictions outside India where it is not unlawful to make an offer or invitation to participate in the Issue and in relation to whom the Bid cum Application Form and the Red Herring Prospectus will constitute an invitation to subscribe for Equity Shares and who have opened dematerialized accounts with SEBI registered qualified depository participants
Eligible QFIs	Qualified Foreign Investors from such jurisdictions outside India where it is not unlawful to make an offer or invitation to participate in the Issue and in relation to whom the Red Herring Prospectus constitutes an invitation to subscribe to Equity Shares issued thereby, and who have opened dematerialized accounts with SEBI registered qualified depository participants, and are deemed as FPIs under SEBI FPI Regulations
Escrow Account(s)	‘No-lien’ and ‘non-interest bearing’ account opened with the Escrow Collection Bank(s) and in whose favour the Bidders (excluding the ASBA Bidders) will transfer money through direct credit/NEFT/RTGS/NACH in respect of the Bid Amount when submitting a Bid
Escrow Agent	Escrow agent appointed pursuant to the Escrow Agreement namely [●]
Escrow Agreement	An agreement to be entered among our Company the Registrar to the Issue, the Escrow Collection Bank(s), Refund Bank(s), the BRLM and the Syndicate Members for the collection of Bid Amounts and where applicable, for remitting refunds, to Anchor Investor Bidders on the terms and conditions thereof
First Bidder	Bidder whose name appears first in the Bid cum Application Form in case of a joint bid and whose name shall also appear as the first holder of the beneficiary account held in joint names or in any revisions thereof
Floor Price	The lower end of the Price Band, and any revisions thereof, below which the Issue Price will not be finalized and below which no Bids will be accepted and which shall not be less than the face value of Equity Shares
Foreign Portfolio Investor / FPIs	Foreign Portfolio Investor as defined under SEBI FPI Regulations
FII / Foreign Institutional Investors	Foreign Institutional Investor as defined under SEBI FII Regulations registered with SEBI under applicable laws in India



<b>Term</b>	<b>Description</b>
General Information Document/ GID	The General Information Document for investing in public issues prepared and issued in accordance with the circular no. CIR/CFD/DIL/12/2013 dated October 23, 2013, notified by SEBI, suitably modified and included in the chapter titled “ <i>Issue Procedure</i> ” beginning on page 313 of this Draft Red Herring Prospectus
Issue Proceeds	The proceeds from the Issue available to the Company
Issue / Issue Size / Public Issue / IPO / Offer	Initial Public Issue of 32,57,939 Equity Shares of face value of Rs. 10 each for cash at a price of Rs. [●] per equity share (including a premium of Rs. [●] per equity share) aggregating to Rs. [●] Lakhs by our Company (subject to Pre-IPO Placement)
Issue Price	Rs. [●] per Equity Share
Issue Agreement	The agreement dated March 23, 2018 between our Company and the Book Running Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue
Listing Agreement	The Listing Agreement to be signed between our Company and the EMERGE Platform of NSE
Market Making Agreement	The Market Making Agreement dated [●] between our Company, Book Running Lead Manager and Market Maker
Market Maker Reservation Portion	The reserved portion of [●] Equity Shares of face value of Rs. 10 each fully paid-up for cash at a price of Rs. [●] per Equity Share aggregating to Rs. [●] for the Market Maker in this Issue
MSE	Micro and small enterprises
Mutual Fund(s)	Mutual fund(s) registered with SEBI pursuant to SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
Mutual Fund Portion	[●] Equity Shares or 5% of the Net QIB Portion (excluding the Anchor Investor Portion), available for allocation to Mutual Funds only
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of [●] Equity Shares of face value Rs. 10 each fully paid-up of our Company for cash at a price of Rs. [●] per Equity Share (the Issue Price) aggregating up to Rs. [●] Lakhs
Net Proceeds	The Issue Proceeds less the Issue related expenses. For further details, please refer to chapter titled “ <i>Objects of the Issue</i> ” beginning on page 84 of this Draft Red Herring Prospectus
Net QIB Portion	QIB Portion less the Anchor Investor Portion
Non-Institutional Bidders / NIB	All Bidders (including Eligible NRIs), who are not QIBs or Retail Individual Applicants and who have applied for Equity Shares for an amount of more than Rs. 2,00,000
Non-Institutional Portion / Non-Institutional Category	The portion of the Issue being not less than 15% of the Net Issue consisting of [●] Equity Shares, available for allocation on a proportionate basis to Non-Institutional Bidders subject to valid bids received at or above the Issue Price
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, Eligible QFIs, FIIs registered with SEBI and FVCIs registered with SEBI
Non Syndicate Broker Centre	Refer SEBI circular no. CIR/CFD/14/2012 dated October 4, 2012 consequent to which stock exchanges have uploaded the Non Syndicate Broker Centres on their respective websites, where the Bids can be submitted

<b>Term</b>	<b>Description</b>
Non Syndicate Stock Broker	A stock broker registered as a member of NSE who has not entered into a sub-Syndicate Agreement with the Syndicate Member and is not a part of the Syndicate
Non Syndicate Stock Broker Mechanism	The process of investors applying through Non Syndicate Stock Broker at a Non Syndicate Broker Centre pursuant to SEBI circular no. CIR/CFD/14/2012 dated October 4, 2012
NSE EMERGE	SME Platform of NSE
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership firm, limited liability partnership firm, 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 may require
Pre-IPO Placement	Our Company may consider issuing up to 2,97,939 Equity Shares on a private placement basis for cash consideration aggregating up to Rs. [●] Lakhs, at its discretion in favour of such investors permissible under applicable laws, to be completed prior to filing of the Red Herring Prospectus with the RoC and the details of which, if completed, will be included in the Red Herring Prospectus
Price Band	Price Band of a minimum price of Rs. [●] per Equity Share (“Floor Price”) and the maximum price of Rs. [●] per Equity Share (“Cap Price”), including any revisions thereof. The Price Band and the minimum Bid Lot for the Issue will be decided by our Company in consultation with the BRLM and advertised, at least five (5) Working Days prior to the Bid/Issue Opening Date, in all editions of [●], an English daily newspaper, all editions of [●], a Hindi daily newspaper and Mumbai edition of [●], a Marathi newspaper (Marathi being the local language of Maharashtra, where our Registered Office is situated) each with wide circulation
Pricing Date	The date on which the Issue Price is categorized by our Company in consultation with the BRLM pursuant to the Book Building Process
Public Issue Account	A ‘no-lien’ and ‘non-interest bearing’ account opened with Bankers to the Issue by our Company under section 40(3) of the Companies Act, 2013 to receive money from the Escrow Accounts on the Designated Date, and into which the funds shall be transferred by the SCSBs from the ASBA Accounts
Qualified Foreign Investors / QFIs	A qualified foreign investor as defined in SEBI FPI Regulations
QIBs or Qualified Institutional Buyers	Qualified Institutional Buyers as defined under Regulation 2(1)(zd) of SEBI ICDR Regulations
QIB Portion /QIB Category	The portion of the Net Issue (including the Anchor Investor Portion) being [●] Equity Shares which shall be available for allocation to QIBs (including the Anchor Investor Portion)
Refund Account(s)	‘No-lien’ and ‘non-interest bearing’ account(s) opened by our Company, from which refunds of the whole or part of the Bid Amount to the Anchor Investor shall be made
Refund through electronic transfer of funds	Refunds through NECS, NEFT, direct credit, NACH or RTGS, as applicable

<b>Term</b>	<b>Description</b>
Refund Banks	Escrow Collection Bank(s) with whom Refund Accounts will be opened and from which a refund of the whole or part of the Bid Amount, if any, shall be made, in this case being, [●]
Registered Broker	Stock brokers registered with SEBI as trading members (except Syndicate/sub-Syndicate Members) who hold valid membership of NSE having right to trade in stocks listed on NSE and eligible to procure Bids in terms of SEBI circular no. CIR/CFD/14/2012 dated October 4, 2012
Registrar Agreement	The agreement dated January 5, 2018, entered into between our Company and the Registrar to the Issue, in relation to the responsibilities and obligations of the Registrar pertaining to the Issue
Registrar and Share Transfer Agents or RTAs	Registrar and Share Transfer Agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registrar to the Issue/Registrar	Registrar to the Issue being Link Intime India Private Limited
Retail Individual Bidders / RIB	Individual Bidders (including HUFs applying through their karta and Eligible NRIs), submitting Bids, who have Bid for Equity Shares for an amount not more than Rs. 200,000 in any of the bidding options in the Net Issue
Retail Portion	The portion of the Issue being not less than 35% of the Net Issue, consisting of [●] Equity Shares, available for allocation on a proportionate basis to Retail Individual Bidders
Revision Form	<p>The form used by the Bidders, to modify the quantity of Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s)</p> <p>QIB Bidders and Non-Institutional Bidders are not allowed to lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/Issue Period and withdraw their Bids until Bid/Issue Closing Date</p>
Red Herring Prospectus or RHP	<p>The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act and the provisions of SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Offer, including any addenda or corrigenda thereto</p> <p>The Red Herring Prospectus will be registered with the RoC at least three (3) Working days before the Bid/Issue Opening Date and will become the Prospectus upon filing with the RoC on or after the Pricing Date</p>
SME	Small and medium sized enterprises
Self-Certified Syndicate Bank(s) / SCSBs	A bank registered with SEBI under SEBI (Bankers to an Issue) Regulations, 1994 and offer services in relation to ASBA a list of which is available on website of SEBI ( <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> )
Specified Locations	Bidding centres where the Syndicate shall accept Bid cum Application Forms from ASBA Bidders, a list of which is available at the website of SEBI

<b>Term</b>	<b>Description</b>
Syndicate Agreement	The agreement dated [●] to be entered into amongst the members of the Syndicate, our Company and the Registrar to the Issue in relation to the collection of Bids in the Issue (other than Bids directly submitted to the SCSBs under the ASBA process or to Registered Brokers at the Broker Centres)
Syndicate / members of the Syndicate	The BRLM and the Syndicate Members
Syndicate Members	An intermediary registered with SEBI and who is permitted to carry out activities as an underwriter, namely [●]
TRS / Transaction Registration Slip	The slip or document issued by the Designated Intermediary (only on demand), to the Bidder, as proof of registration of the Bid
Underwriters	BRLM and [●]
Underwriting Agreement	The Agreement dated [●] entered between the Underwriter, our Company, BRLM and Registrar to the Issue on or after the pricing date, but prior to filing the Prospectus with the RoC
U.S Securities Act	U.S Securities Act of 1933, as amended
Wilful Defaulter	Company or person categorised as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India and includes any company whose director or promoter is categorised as such
Working Days	<p>For the purpose of announcement of Price Band and for Issue Period, Working Days shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and</p> <p>For the period between the Issue Closing Date and the listing of the Equity Shares on the NSE EMERGE Working Days shall mean all trading days of the NSE EMERGE, excluding Sundays and bank holidays, as per SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016</p> <p>For all other purposes, Working Days shall mean all days other than second and fourth Saturdays of the month, Sundays or public holidays, on which commercial banks in Mumbai are open for business</p>

#### **Conventional, General and Industry Terms or Abbreviations**

<b>Term</b>	<b>Description</b>
A/c	Account
AGM	Annual General Meeting
AIF	Alternative Investment Fund as defined under SEBI AIF Regulations
AS / Accounting Standards	Accounting Standards issued by ICAI as notified under the Companies (Accounts) Rules, 2014
APET	Amorphous Polyethylene Terephthalate
APAC	Asia-Pacific
ASBA	Applications Supported by Blocked Amount
AY	Assessment Year
BRC	British Retail Consortium
BCG	Boston Consulting Group

Bn.	Billion
CAGR	Compounded Annual Growth Rate
CARE	CARE Ratings Limited
CARE Advisory	CARE Advisory Research & Training Limited
CARE Advisory Report, February 2018	Research Report on “PET, PP, HIPS And Thermoformed Packaging Products” issued in February 2018 by CARE Advisory
CARO	Companies (Auditor’s Report) Order, 2016, as amended
CCPS	Compulsorily Convertible Preference Shares
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
CIPET	Central Institute of Plastics Engineering & Technology
Companies Act	Companies Act, 2013 to the extent in force pursuant to the notification of sections of the Companies Act, along with the relevant rules made thereunder as may be amended from time to time
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the sections of the Companies Act) along with the relevant rules made thereunder
Cr.	Crore
CSR	Corporate Social Responsibility
CSO	Central Statistics Organization
°C	Degree Celsius
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India
DP / Depository Participant	A depository participant as defined under the Depositories Act
DP ID	Depository Participant Identification
EGM/ EOGMs	Extraordinary General Meeting
EPS	Earnings Per Share
EBITDA	Earnings before Interest, Tax, Depreciation and Amortization
EMEA	Europe, Middle East, and Africa
EPFO	Employees’ Provident Fund Organization
ESIC	Employee State Insurance Corporation
Factory Unit - I	Manufacturing facility of the Company situated at survey No. 37/2, plot no. 32 and 33, Silver Industrial Estate, Village Bhimpore, Daman- 396210
Factory Unit - II	Manufacturing facility of the Company situated at plot no. 370/2(3), near PSL, Vapi Road, Village Kachigam, Daman- 396210
Factory Unit - III	Manufacturing facility of the Company situated at survey no. 184/1 (39), Panchal Industrial Estate, Village Bhimpore, Daman - 396210
FBP	Foreign Bill Purchase
FC	Foreign Currency
FCNR Account/ FCNR	Foreign currency non-resident account
FDI	Foreign Direct Investment
FD	Fixed Deposit
FEMA Act/ FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations thereunder
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 and amendments thereto
FFS	Form Filled Sealed
FI	Financial Institution

Financial Year / Fiscal / FY	Unless stated otherwise, the period of 12 months ending March 31 of that particular year
FIPB	Foreign Investment Promotion Board, Department of Economic Affairs, Ministry
FMCG	Fast Moving Consumer Goods
FVCI	Foreign venture capital investors as defined and registered under SEBI FVCI Regulations
GDP	Gross Domestic Product
GIR	General Index Register under IT Act
GMP	General Manufacturing Practice
GoI or Government	Government of India
GPET	Glycol-Modified Polyethylene Terephthalate
GST	Goods and Services Tax
GSTIN	GST Identification Number
HUF	Hindu Undivided Family
HIPS	High Impact Polystyrene
HNI	High Net Worth Individual
ICAI	The Institute of Chartered Accountants of India
IEC	Import Export Code
IFRS	International Financial Reporting Standards
IIA	India Industries Association
IMF	International Monetary Fund
Rs. / Rupees / INR	Indian Rupees
Indian GAAP	Generally Accepted Accounting Principles in India
INCOTERMS	International Commercial Terms
IOP	Institute of Packaging
IST	Indian Standard Time
IT Act	The Income Tax Act, 1961
IT Rules	Income Tax Rules, 1962
Kms	Kilometers
KVA	Kilovolt-ampere
LC	Letter of Credit
LIBOR	London Interbank Offered Rate
MCA	Ministry of Corporate Affairs, Government of India
MCLR	Marginal cost of funds based lending rate
MICR	Magnetic Ink Character Recognition
MMT	Million Metric Tons
MM	Millimetre
MNCs	Multi-National Companies
Mn	Million
MGNREGA	Mahatma Gandhi National Rural Employment Guarantee Act
MT	Metric Tonnes
Mutual Fund(s)	Mutual Fund(s) means mutual funds registered under SEBI (Mutual Funds) Regulations, 1996
MoU	Memorandum of Understanding
N.A. / NA	Not Applicable
NACH	National Automated Clearing House
NAV	Net Asset Value
NEFT	National Electronic Fund Transfer



NR	Non-resident
NRE Account	Non-Resident External Account
NRI	A person resident outside India who is a citizen of India as defined under the Foreign Exchange Management (Deposit) Regulations, 2016 or is an 'Overseas Citizen of India' cardholder within the meaning of section 7(A) of the Citizenship Act, 1955
NRO Account	Non-Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
NSE EMERGE	SME Platform of NSE
OCB / Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Issue
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
PBT	Polybutylene terephthalate
Pcs	Pieces
PET	Polyethylene Terephthalate
PP	Polypropylene
PPP	Purchasing Power Parity
PS	Polystyrene
PVC	Polyvinyl chloride
QSR	Quick Service Restaurants
RBI	Reserve Bank of India
RONW	Return on Net Worth
RoCE	Return on Capital Employed
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956, as amended
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended
SEZ	Special Economic Zones
SEBI	The Securities and Exchange Board of India constituted under SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009

SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 as repealed pursuant to SEBI AIF Regulations
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
Sq. metres	Square Metres
STT	Securities Transaction Tax
TAN	Tax Deduction Account Number
TIN	Taxpayers Identification Number under provisions of applicable VAT Laws
TPA	Tonnes Per Annum
UK	United Kingdom
U.S. / USA / United States	United States of America
USD / US\$	United States Dollars
UV	Ultraviolet
VAT	Value Added Tax
VCFs	Venture capital funds as defined in and registered with SEBI under SEBI VCF Regulations or SEBI AIF Regulations, as the case may be
WCDL	Working Capital Demand Loan
WCTL	Working Capital Term Loan
WEO	World Economic Outlook
YoY	Year on year

## FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “propose”, “project”, “will”, “will continue”, “will pursue” or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties, expectations and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Actual results may differ materially from those suggested by forward-looking statements due to risks or uncertainties associated with expectations relating to, including, regulatory changes pertaining to the industries in India in which we operate and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in the industries in which we operate.

Certain important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- dependency on our key customers and key suppliers;
- competition from international and domestic companies;
- dependency on machinery and equipment;
- dependency on technology and automation;
- dependence on third parties for the supply of raw materials and delivery of products and such providers could fail to meet their obligations;
- fluctuations in the prices of raw materials;
- fluctuations in foreign exchange rates;
- changes in the legal, regulatory, economic and political environment in India;
- general economic and business conditions in India and other countries;
- change in environmental regulations in India and/or globally.

For further discussion on factors that could cause actual results to differ from expectations, please refer to section titled “*Risk Factors*”, and chapters titled “*Business Overview*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 20, 126 and 253 of this Draft Red Herring Prospectus respectively. 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 gains or losses could materially differ from those that have been estimated.

There can be no assurance to investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance. Forward-looking statements reflect current views as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance.

These statements are based on our management's beliefs and assumptions, which in turn are based on currently available information. Although, we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Directors, the Book Running Lead Manager nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI ICDR Regulations, our Company and the Book Running Lead Manager will ensure that the investors in India are informed of material developments until the time of the grant of listing and trading permission by the NSE EMERGE for this Issue.

## **PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA**

### **Certain Conventions**

All references to “India” contained in this Draft Red Herring Prospectus are to the Republic of India.

Unless stated otherwise, all references to page numbers in this Draft Red Herring Prospectus are to the page numbers of this Draft Red Herring Prospectus.

### **Financial Data**

Unless stated otherwise, the financial data included in this Draft Red Herring Prospectus are extracted from the Financial Statements of our Company, prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI ICDR Regulations and Guidance Note on “Reports in Company Prospectus (Revised 2016)” issued by ICAI, as stated in the report of our Statutory and Peer Reviewed Auditor, as set out in the section titled “*Financial Statements*” beginning on page 188 this Draft Red Herring Prospectus. Our Financial Statements are derived from our audited financial statements prepared in accordance with Indian GAAP, the Companies Act, and have been restated in accordance with SEBI ICDR Regulations and Guidance Note on “Reports in Company Prospectus (Revised 2016)” issued by ICAI. Our Fiscal commences on April 1<sup>st</sup> of each year and ends on March 31<sup>st</sup> of the next year. All references to a particular Fiscal are to the twelve (12) months period ended March 31<sup>st</sup> of that year. In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off.

There are significant differences between Indian GAAP, IFRS and US GAAP. The Company has not attempted to quantify their impact on the financial data included herein and urges you to consult your own advisors regarding such differences and their impact on the Company’s financial data. Accordingly to what extent, the financial statements included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices / Indian GAAP. Any reliance by persons not familiar with Indian Accounting Practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited. Any percentage amounts, as set forth in section titled “*Risk Factors*”, and chapters titled “*Business Overview*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and elsewhere in this Draft Red Herring Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s Financial Statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI ICDR Regulations and Guidance Note on “Reports in Company Prospectus (Revised 2016)” issued by ICAI as stated in the report of our Statutory and Peer Reviewed Auditor, set out in the section titled “*Financial Statements*” beginning on page 188 of this Draft Red Herring Prospectus.

### **Currency and Units of Presentation**

All references to:

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

Our Company has presented certain numerical information in this Draft Red Herring Prospectus in “Lakhs” units. One Lakh represents 1,00,000.

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures derived from our Financial Statements in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal place.

### **Industry and Market Data**

Unless stated otherwise, industry and market data used in this Draft Red Herring Prospectus has been obtained or derived from the CARE Advisory Report, February 2018. The CARE Advisory Report, February 2018 has been prepared at the request of our Company.

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Accordingly, no investment decisions should be based on such information. We believe the industry and market data used in this Draft Red Herring Prospectus is reliable, however, it has not been independently verified by our Company or the Book Running Lead Manager or any of their affiliates or advisors. The data used in these sources may have been re-classified by us for the purposes of presentation. Data from these sources may also not be comparable. For details in relation to the risks involving the CARE Advisory Report, February 2018, please refer to the section titled *“Risk Factors – Certain sections of this Draft Red Herring Prospectus disclose information from an industry report commissioned by our Company and any reliance on such information for making an investment decision in the Issue is subject to inherent risks”* on page 29 of this Draft Red Herring Prospectus.

The extent to which the market and industry data used in this Draft Red Herring 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 business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources. In accordance with SEBI ICDR Regulations, the chapter titled *“Basis for Issue Price”* beginning on page 93 of this Draft Red Herring Prospectus includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we, nor the Book Running Lead Manager have independently verified such information.



## SECTION II – RISK FACTORS

*An investment in the Equity Shares involves a high degree of risk. You should carefully consider all of the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below and the restated Financial Statements incorporated in this Draft Red Herring Prospectus, before making an investment in the Equity Shares. Bidders should pay particular attention to the fact that we are governed in India by a legal and regulatory environment which in some material respects may be different from that which prevails in other countries. In making an investment decision, Bidders must rely on their own examination of our Company and the terms of the Issue, including the risks involved. If any or some combination of the following risks occur or if any of the risks that are currently not known or deemed to be not relevant or material now, actually occur, our business, prospects, financial condition and results of operations could suffer, the trading price of the Equity Shares could decline, and you may lose all or part of your investment. For further details, please refer to chapters titled “Business Overview” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 126 and 253, respectively of this Draft Red Herring Prospectus, as well as the other financial and statistical information contained in this Draft Red Herring Prospectus. If our business, results of operations or financial condition suffers, the price of the Equity Shares and the value of your investments therein could decline.*

*We have described the risks and uncertainties that our management believes are material, but these risks and uncertainties may not be the only ones we face. Additional risks and uncertainties, including those we are not aware of, or deem immaterial or irrelevant, may also result in decreased revenues, increased expenses or other events that could result in a decline in the value of the Equity Shares. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implication of any of the risks described in this section. 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 Red Herring Prospectus also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. For further details, please refer to chapter titled “Forward-Looking Statements” beginning on page 16 of this Draft Red Herring Prospectus.*

*Unless otherwise indicated, all financial information included herein are based on our restated Financial Statements. Please refer to the section titled “Financial Statements” beginning on page 188 of this Draft Red Herring Prospectus.*

### INTERNAL RISK FACTORS

- 1. There are certain tax proceedings involving our Company. An adverse outcome in these tax proceedings may impact our future business, financial condition, results of operations and cash flows.**

As on the date of this Draft Red Herring Prospectus, we are involved in certain tax proceedings, which are pending with the appropriate forums. We cannot assure you that these tax proceedings will be decided in our favour. Decisions in such tax proceedings may have an impact on our business, financial condition, results of operations and cash flows. In the event of any adverse outcome, we may be required to pay the disputed amounts along with applicable interest and penalty and may also incur additional tax incidence going forward.

A summary of pending tax proceedings involving our Company is provided below:

Particulars	Authority	Amount quantifiable (in Rs. Lakhs)
Income tax demand of A.Y. 2012-13*	CIT(A)	2.10
Income tax demand of A.Y. 2012-13	DCIT	1.35
Income tax demand of A.Y. 2014-15	CIT(A)	0.75
<b>Total</b>		<b>4.20</b>

*\*pertains to erstwhile M/s. Rajshree Industries*

The amounts claimed in these tax proceedings have been disclosed to the extent ascertainable and include amounts claimed jointly and severally. If any new developments arise, such as a change in Indian law or rulings against us by appellate courts or tribunals, we may need to make provisions in our financial statements that could increase our expenses and current or long term liabilities or reduce our cash and bank balance. For further details, please refer to chapter on “*Outstanding Litigation and Material Developments*” beginning on page 277 of this Draft Red Herring Prospectus.

**2. Our Company is dependent on external suppliers for most of our machinery / component requirements and raw materials.**

Our Company is dependent on external suppliers for most of our machinery / component requirements and raw materials. The failure of our suppliers to deliver these materials or components in the necessary quantities or to adhere to delivery schedules or specified quality standards / technical specifications, could adversely affect our business and our ability to deliver on time and at the desired level of quality giving rise to contractual penalties or liability, for failure to perform contracts, and a loss of customers and damage to our Company’s reputation, any of which could materially adversely affect its results of operations.

Also, qualifying alternative suppliers that can meet our Company’s technical and quality standards, and who can supply these materials in necessary quantities, would entail substantial cost and could cause delays in deliveries of our Company’s products. Any of the foregoing could have a material adverse effect on the Company’s business, financial condition and results of operations.

**3. The business of our Company is impacted by fluctuations in raw material prices, domestic and global.**

The prices for our primary raw materials (including raw materials imported by our Company) used for the manufacture of plastic rigid sheets and thermoformed products have been volatile. The cost of raw material consumed represented 53.35% and 52.54% of our total revenues in Fiscal 2017 and Fiscal 2016, respectively. These materials are global commodities and their prices are cyclical in nature and fluctuate in accordance with global market conditions. If the costs of these raw materials rises due to factors such as rise in input and commodity prices or shortages in supply, and our Company is not able to recover these costs through cost saving measures elsewhere or by increasing the prices of its products, our results of operations could be adversely affected.

Further, our Company often purchases raw materials in advance based on our estimate of customer demand for an upcoming period. In the event prices for these raw materials subsequently decline there can be no assurance that our Company will be able to price our products based on the material costs it actually incurred.

- 4. A large part of our revenues is dependent on a limited number of customers. The loss of any of our major customers or a decrease in the volume of orders will materially and adversely affect our revenues and profitability.**

At present, we derive most of our revenues from the orders received from limited number of customers. For the period ended September 30, 2017, our top ten (10) customers were contributing 57.40% of our total revenue. Our business and results of operations will be materially and adversely affected if we are unable to develop and maintain a continuing relationship with our key customers or develop and maintain relationships with other new customers. The loss of a significant customer or a number of significant customers due to any reason will have material adverse effect on our business prospects and results of operations.

- 5. We rely on third-party transportation providers for all of our input materials and product distribution. Failure by any of our transportation providers to deliver our input materials and products on time or at all, could result in loss in sales.**

We depend on third-party transportation to receive input materials required for our products and to deliver our finished products to our customers. However, we do not own any trucks or commercial vehicles and typically use third-party logistics providers for all of our product distribution and input materials procurement. This makes us dependent on such third-party transportation providers. Weather-related problems, strikes, or other events which affects third-party transportation could impair our ability to receive the raw materials and/or deliver the requisite quantities of products in time to our customers, which may result in cancellation or non-renewal of purchase orders, and could adversely affect the performance of our business, results of operations and cash flows.

Additionally, if we lose one (1) or more of our transportation providers, we may not be able to obtain terms as favorable as those we receive from the third party transportation providers that we currently use, which in turn would increase our costs and thereby adversely affect our operating results. Whilst our Company has obtained goods in transit insurance policies, our transportation providers do not carry any such insurance coverage. There can be no assurance that we will receive compensation for any claims in a timely manner or at all, and consequently, any such loss may adversely affect our business, financial condition, results of operations and cash flows.

- 6. If there are delays or cost overruns in utilisation of Net Proceeds, our business, financial condition and results of operations will be materially and adversely affected.**

The Net Proceeds from the Issue are proposed to be utilised for construction of a new manufacturing facility and purchase and installation of machineries. Some of the machines proposed to be installed for setting up the new manufacturing facility are yet to be ordered. Our inability to construct the new manufacturing facility and purchase and installation of machineries in a timely and cost efficient manner will materially and adversely affect our business, financial condition and results of operations. For details of utilisation of Net Proceeds, please refer to chapter titled “*Objects of the Issue*” beginning on page 84 of this Draft Red Herring Prospectus.

- 7. We are dependent on a number of key personnel and services of the members of senior management and the loss of such persons, or our inability to attract and retain key personnel and senior management in the future, could adversely affect our business, growth prospects, results of operations and cash flows.**

Our ability to meet future business challenges depends on our ability to attract, recruit and retain talented and skilled personnel. We are highly dependent on our Promoters, our Directors, senior management and

other key personnel to run and/or grow our business. Our management and technical personnel are supported by other skilled workers who benefit from regular in-house training initiatives. The loss of any of our Promoters, our Directors, senior management or other key personnel, or an inability to manage the attrition levels in different employee categories may materially and adversely impact our business, growth prospects, results of operations and cash flows.

We face competition to recruit and retain skilled staff. Due to the limited availability of skilled personnel, competition for senior management in our industry is intense. We may experience difficulties in attracting, recruiting and retaining an appropriate number of skilled staff for our business needs. We may also need to increase our pay structures to attract and retain such personnel. Our future performance will depend upon the continued services of these personnel's.

As of January 31, 2018, we had four hundred (400) full time employees and seventy two (72) contract employees. Our future success substantially depends on our ability to recruit, hire, motivate, develop, and retain talented and skilled personnel and our senior management. We believe that the inputs and experience of our senior management are valuable for the development of business and operations and the strategic directions taken by our Company. For details in relation to the experience of our Directors and key management personnel, please refer to chapter titled "*Our Management*" beginning on page 164 of this Draft Red Herring Prospectus. There is no assurance, however, that these individuals or any other member of our senior management team will not leave us in the future. We cannot assure you that we will be able to retain these employees or find adequate replacements in a timely manner, or at all.

- 8. A significant number of properties, including our Registered Office and Corporate Office, warehouses, one (1) of our manufacturing facilities are not registered in our name and are taken on lease / leave & license. There can be no assurance that these lease / leave & license agreements will be renewed upon termination or that we will be able to obtain other premises on lease / rent on same or similar commercial terms.**

A significant number of properties, including our Registered Office and Corporate Office, warehouses, manufacturing facilities are not registered in our name and are taken on lease / leave & license / rent. In the event such leases / leave & license agreements are not renewed or are terminated, it could adversely affect our operations unless we arrange for similar premises. If we are unable to continue or renew such lease / leave & license agreements on same or similar terms, or find alternate premises on lease / rent on similar terms or at all, it may affect our business operations. For further details, please refer to chapter titled "*Business Overview*" beginning on page 126 of this Draft Red Herring Prospectus.

- 9. The land on which the new manufacturing facility is proposed to be set up through the Net Proceeds of the Issue is taken on lease by the Company.**

The land on which the new manufacturing facility is proposed to be set up through the Net Proceeds of the Issue is taken on lease by the Company. If the Company is unable to renew the lease on favourable terms or at all or if the lease is terminated by the Lessor, it may adversely impact our business, financial performance and operations. For details, please refer to the chapter titled "*Business Overview*" beginning on page 126 of this Draft Red Herring Prospectus.

- 10. Reduction in exports of the products of our Company may affect the business and results of operation of our Company.**

Reduction in exports of the products of our Company may affect the business and results of operation of our Company. Any change in the regulatory environment or economic condition of any of the countries


that we are exporting to or reduction in the demand of our products may affect the business and results of operation of our Company.

**11. Work stoppages, shortage of labor and other labor related problems could adversely affect our business, and our operations are dependent on a pool of contract labor and an inability to access adequate contract labor at reasonable costs at our manufacturing facilities may adversely affect our business prospects and results of operations.**

As of January 31, 2018, we had four hundred (400) full time employees and seventy two (72) contract employees. We employ a large number of laborers. If we are unable to negotiate with the labor contractors or if there is any shortage or disruption in the availability of labor, it could result in work stoppages or increased operating costs as a result of higher than anticipated wages or benefits. Further, India has stringent labor legislation that protects the interests of workers, including legislation that sets forth detailed procedures for establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon their retrenchment. There can be no assurance that we will have adequate access to skilled workers at reasonable rates and in the area in which we operate. As a result, we may be required to incur additional costs to ensure timely execution of our customer orders. This may in turn affect our results of operations.

**12. The trademarks used by us are not owned by us. Our ability to use our intellectual property including our logo may be impaired.**

The trademarks “SAMRAT” (owned by M/s. Bobson Industries) and “NATRAJ” and “SATYAM” (owned by M/s. S. R. Plastics), that are currently used by our Company are licensed to our Company till February 28, 2022. In the event the said licenses are not renewed in time, this may adversely affect our business, financial condition and results of operations.

Further, as on the date of this Draft Red Herring Prospectus, we have applied for registration for our Company’s device and logo i.e. “RPPL” and “”, under classes 16 and 39 respectively. Pending registration, we do not enjoy the statutory protection accorded to a registered trademark. There can be no assurance that either of our applications will succeed. Grounds for refusal of registration may include the validity or scope of the application. If we are unable to obtain a registration, we may still continue to use the Company’s device and logo but the same would remain vulnerable to infringement and passing-off by third parties and will not be able to enforce any rights against them. We may also need to change our Company’s device and logo which may adversely affect our reputation and business and could require us to incur additional costs. Further, our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. This may lead to litigations and any such litigations could be time consuming and costly and their outcome cannot be guaranteed. Our Company may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our intellectual property, which may adversely affect our business, financial condition and results of operations. For details, please refer to chapter titled “*Government and Other Statutory Approvals*” beginning on page 281 of this Draft Red Herring Prospectus.

**13. Our Company has not complied with certain statutory provisions under various laws. Such non-compliance / lapses may attract certain penalties.**

Our Company has not complied with certain statutory provisions such as inadvertent delay in filing / non – filing of certain forms with some government authorities and/or inadvertent errors in filing of forms with RoC.

Further, our Company is required to make filings under various rules and regulations as applicable under the Companies Act and under the applicable provisions of the Companies Act, 1956 which is usually done within the prescribed time period by the Company. However in some instances delay has occurred in making RoC filings. Due to these delays in filings, our Company had, on some occasions, paid the requisite late fees.

No show cause notice in respect of the above has been received by the Company till date, however any penalty imposed for such non-compliance in future by any regulatory authority could affect our financial conditions to that extent. Any delay / non-compliance in the past or future may render us liable to statutory penalties / actions.

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

Our Company has entered into certain transactions with our Promoters, Promoter Group and Directors. While we believe that all such transactions are conducted at arm's length basis, there can be no assurance that we could not have achieved more favourable terms had such transactions not being entered into with related parties. Furthermore, it is likely that we will enter into related party transactions in future. There can be no assurance that such transactions, individually or in aggregate, will not have an adverse effect on our financial condition and results of operations. For details on the related party transactions entered into by our Company, please refer to chapter titled "*Related Party Transactions*" on page 186 of this Draft Red Herring Prospectus.

**15. Our failure to comply with financial and other restrictive covenants imposed on us under our financing arrangements may adversely affect our ability to conduct our business and operations.**

Our aggregate secured borrowings from term loans and working capital facilities (including bank guarantee of Rs. 40.00 Lakhs) as on March 10, 2018 from banks was Rs. 1,967.15 Lakhs. The arrangements in respect of some of the debt facilities contain certain covenants such as maintenance of financial ratios, compliance with reporting requirements and other restrictions which may significantly limit our ability to borrow additional money, make capital expenditure and investments etc. There can be no assurance that we will be able to comply with these covenants in the future or that we will be able to obtain the lenders' consents necessary to take the actions that may be necessary.

Our existing debt or additional debt that we may raise has, or may have, among others, the following consequences:

- limiting our ability to fund future working capital requirements, capital expenditures, etc;
- requiring us to dedicate a substantial portion of our cash flow from operations to service our debt;
- limiting our flexibility to react to changes in our business and in the industry in which we operate;
- placing us at a competitive disadvantage with respect to any of our competitors who have less debt;
- requiring us to meet additional financial covenants; and
- leading to circumstances that may result in an event of default, if not waived or cured.

Any failure to service our indebtedness, perform any condition or covenant or comply with the restrictive covenants could lead to a termination of one or more of our credit facilities, acceleration of amounts due under such facilities, affect our ability to raise additional funds or renew borrowings to finance our existing working capital requirements and pursue our growth initiatives. We cannot provide any assurance that our business will generate sufficient cash to enable us to service our debt or to fund our other liquidity needs as they become due. The termination of, or declaration or enforcement of default under, any financing arrangement may have an adverse effect on our business, financial condition, results of



operations and prospects. For details of our indebtedness, please refer to chapter titled “*Financial Indebtedness*” beginning on page 271 of this Draft Red Herring Prospectus.

**16. Our Company has no formal supply agreement or contract with our vendors/suppliers for the uninterrupted supply of major raw materials.**

Our business may be adversely affected if there is any disruption in the supply of raw material. We do not have any formal agreements with our vendors/suppliers as we operate on a purchase order system. Due to the absence of any formal contract with our vendors/suppliers, we are exposed to the risks of irregular supplies or no supplies at all or delayed supplies which may materially affect our results of operations. In the event of any disruption in the supply of raw materials or the non availability of raw materials, the production and dispatch schedule may be adversely affected, thereby impacting the sales and profitability of the Company.

**17. Our movable and immovable properties are hypothecated / mortgaged with the lenders to provide security in respect of finance availed by us.**

We have secured our lenders by creating a charge over our movable and immovable properties in respect of loans / facilities availed by us. The total amounts outstanding and payable by us as secured loans were 2,028.88 Lakhs (including bank guarantee of Rs. 40.00 Lakhs) as on March 10, 2018. In the event we default in repayment of the loans / facilities availed by us and any interest thereof, our properties may be possessed by lenders, which in turn could have significant adverse affect on business, financial condition or results of operations. For further details please refer to chapter titled “*Financial Indebtedness*” beginning on page 271 of this Draft Red Herring Prospectus.

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

We require several statutory and regulatory permits, licenses and approvals to operate our business. Many of these approvals are granted for fixed period of time and need renewal from time to time. Non-renewal of the said permits and licenses would adversely affect our Company’s operations, thereby having a material adverse effect on our business, results of operations and financial condition. There can be no assurance that the relevant authorities will issue any of such permits or approvals in the time-frame anticipated by us or at all. Our Company is in the process of applying for registration in respect of our Registered Office and Corporate Office under the applicable provisions of Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017 read with Maharashtra Shops and Establishments Act, 1948. Further, some of our permits, licenses and approvals are subject to several conditions and we cannot provide any assurance that we will be able to continuously meet such conditions or be able to comply with such conditions, which may lead to the cancellation, revocation or suspension of relevant permits, licenses or approvals. Any failure by us to apply in time, to renew, maintain or obtain the required permits, licenses or approvals, or the cancellation, suspension or revocation of any of the permits, licenses or approvals may result in the interruption of our operations and may have a material adverse effect on the business. If we fail to comply with all applicable regulations or if the regulations governing our business change, we may incur increased costs, be subject to penalties or suffer a disruption in our business activities, any of which could adversely affect our results of operations. For further details, please refer to chapters titled “*Key Industry Regulations and Policies*” and “*Government and Other Statutory Approvals*” beginning on pages 149 and 281 respectively of this Draft Red Herring Prospectus.

Our Company proposes to use part of its Net Proceeds to set up a new manufacturing facility, which will require certain regulatory permits, licenses and approvals from government authorities. Any delay in applying for or obtaining such permits, licenses and approvals may adversely affect our Company's operations, thereby having a material adverse effect on our business, results of operations and financial condition.

**19. Our Company does not have any similar and comparable listed peer which is involved in the same line of business for a direct comparison of performance and therefore, investors must rely on their own examination of accounting ratios of our Company for the purposes of investment in the Issue.**

As on the date of this Draft Red Herring Prospectus, we believe that none of the listed companies in India have a business profile and revenue streams alongwith their size, directly comparable to our Company. However, there is a listed company in India in the rigid plastic sheets / thermoformed packaging products sector with one or more business segments that maybe common to our business. Since the listed company may not be directly comparable to our Company, the accounting ratios of the same may not be a representative yardstick for our Company. Further, it maybe noted that one listed company may not be sufficient or be able to reflect or represent the performance of the entire rigid plastic sheets and thermoformed packaging products industry. Therefore, investors must rely on their own examination of our Company for subscribing to the Issue.

**20. Our business requires significant investments in plant and machinery, moulds & dies and regular technological upgrades.**

Our business requires significant investments in plant and machinery, moulds & dies and regular technological upgrades. Whilst we aim to stay upgraded with the state of the art machinery and technology there can be no assurances that our Company will be able to do so in future. Further, our Company is dependent on maintaining our manufacturing facilities in good working condition and inability to do so will adversely impact our business, financial performance and operations.

**21. Some of our Promoters have interests in other ventures which are in similar line of business as our Company.**

Some of our Promoters have interests in other ventures which are in similar line of business as our Company. Any diversion of business pertaining to plain products of our Company to such other ventures may adversely impact our business, financial performance and operations.

**22. The deployment of funds raised through this Issue shall not be subject to any monitoring agency and shall be purely dependent on the discretion of the management of our Company.**

Since the Issue size is less than Rs. 10,000 Lakhs, there is no mandatory requirement of appointing an independent monitoring agency for overseeing the deployment of utilization of funds raised through this Issue. Therefore, the deployment of these funds raised through this Issue is at the discretion of the management and the Board of Directors of our Company and will not be subject to monitoring by any independent agency. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financial results.

**23. Breakdown of machinery and / or equipment used for the purpose of manufacturing process.**

Any breakdown or defect in the machinery and / or the equipment used for the purpose of our manufacturing processes, may delay the production process as a whole and result in missing deadlines in

delivery of product if we are unable to repair the machines or replace it within relevant timelines. Any such delays may have an adverse effect on the business of the Company.

**24. Any change in environment laws and regulations may adversely affect our business operations.**

Our Company is regulated under certain environment protection laws and other regulations including Maharashtra Non-Biodegradable Garbage (Control) Act, 2006, Maharashtra Plastic and Thermocol Products (Manufacture, Usage, Sale, Transport, Handling and Storage) Notification, 2018 and Plastic Waste Management Rules 2016 as may be amended from time to time. The government and regulatory authorities are constantly amending the rules and regulations for manufacturing, usage, transportation, distribution, wholesale and retail sale and storage of various forms of plastic and handling of non-biodegradable plastic waste due to which, the government and regulatory authorities may introduce or amend some act, rule, and regulation which may affect our Company and the industry in which we operate, directly or indirectly. Any failure to comply with the same or any inability to meet the regulatory requirements may adversely impact our business, growth prospects, results of operations and cash flows.

**25. Certain agreements may not be adequately stamped or may not have been registered as a result of which our operations may be impaired.**

Few of our agreements may not be adequately stamped or registered. The effect of inadequate stamping is that the document may not be admissible as evidence in legal proceedings and parties to that agreement may not be able to legally enforce the same, except after paying a penalty for inadequate stamping. The effect of non-registration, in certain cases, may make the document inadmissible in legal proceedings. Any potential dispute vis-à-vis non-compliance of local laws relating to stamp duty and registration may adversely impact the continuity of our business activity.

**26. We could be harmed by employee misconduct or errors that are difficult to detect and any such incidences could adversely affect our financial condition, results of operations and reputation.**

Employee misconduct or errors could expose us to business risks or losses, including serious harm to our reputation. There can be no assurance that we will be able to detect or deter such misconduct. Moreover, the precautions we take to prevent and detect such activity may not be effective in all cases. Our employees may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions on account of which our business, financial condition, results of operations and goodwill could be adversely affected.

**27. We cannot guarantee the accuracy or completeness of the facts and other statistics with respect to India, the Indian economy and rigid plastic sheets and thermoformed packaging sector contained in this Draft Red Herring Prospectus.**

While facts and other statistics in this Draft Red Herring Prospectus relating to India, the Indian economy and the rigid plastic sheets and thermoformed packaging sector have been based on various government publications and reports from government agencies that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us, the BRLM or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. These facts and other statistics include the facts and statistics included in the chapter titled “*Industry Overview*” beginning on page 103 of this Draft Red Herring Prospectus. Due to possibly flawed 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, there is no assurance that

they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

**28. Certain sections of this Draft Red Herring Prospectus disclose information from an industry report commissioned by our Company and any reliance on such information for making an investment decision in the Issue is subject to inherent risks.**

We have retained the services of an independent third party research agency, CARE Advisory, to prepare CARE Advisory Report, February 2018, excerpts from which have been included in this Draft Red Herring Prospectus. The CARE Advisory Report, February 2018 is subject to various limitations and based upon certain assumptions that are subjective in nature. There can be no assurance that the assumptions adopted by this third party agency for the purposes of preparing its research report will prove to be accurate. If any of these assumptions are incorrect, the understanding of the PET, PP, HIPS and Thermoformed Packaging Products could be materially different from that set forth in the said report.

While we have taken reasonable care in the reproduction of relevant information, industry facts and other statistics have not been prepared or independently verified by us, BRLM or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness

**29. We cannot assure you that the deployment of the Net Proceeds in the manner intended by us will result in increase in the value of your investment.**

We intend to primarily use the Net Proceeds as described under chapter titled “*Objects of the Issue*” beginning on page 84 of this Draft Red Herring Prospectus. Our funding requirements and the deployment of the Net Proceeds are based on management estimates and have not been appraised by any bank, financial institution or other independent agency. In response to the dynamic nature of our business, our management will have broad discretion to revise our business plans, estimates and budgets from time to time. Consequently, our funding requirements and deployment of funds may change, which may result in rescheduling of the proposed utilization of the Net Proceeds and increasing or decreasing expenditure for a particular activity, subject to compliance with applicable law and the investment policies approved by our management.

Further, pursuant to section 27 of the Companies Act any variation in the objects for which the Prospectus will be issued would require a special resolution of the shareholders and the promoter or controlling shareholders will be required to provide an exit opportunity to the shareholders who do not agree to such proposal to vary the objects in accordance with Chapter VI-A of the SEBI ICDR Regulations. In the event of any such variation in the objects, the Promoters or controlling shareholders will provide an exit opportunity to such dissenting shareholders in accordance with the applicable provisions of SEBI ICDR Regulations.

Further, pending utilization of the Net Proceeds, we are required to deposit the Net Proceeds for any interim period only in scheduled commercial banks listed under Schedule II of the Banking Regulation Act, 1949. We cannot assure you that we will earn significant interest income on such deposits.

**30. The success of the products manufactured by us depends on the success of the end product of our customer. Reduction in sales of the products of our customer, or defects in our customer’s products which may be attributable to us, may adversely affect our business, financial condition, results of operations and prospects.**

The success of our business depends on the growth in the business of our customers. The production and sales volumes of our customers may be affected by a number of factors such as change in economic or

industry conditions, change in regulatory requirements, government initiatives, products becoming obsolete or being phased out. Any decline in the demand for our customer's products may adversely affect the sales of our products to our customers and in turn may adversely affect our business, financial condition, results of operations and prospects. Further, defects in our customer's products, which may be attributable to us, directly or indirectly, may also adversely affect our financial condition and prospects.

**31. Activities involving our manufacturing processes can be potentially dangerous and can cause injury to people or property in certain circumstances. A significant disruption at our manufacturing facilities may adversely affect our production schedules, costs, revenues and ability to meet customer demands.**

Our business involves manufacturing processes that can be potentially dangerous to our employees. We have faced past instances of accidents suffered by our employees in our manufacturing facility, while discharging their duties. An accident may result in injury to employees or loss of life, damage / destruction of property or equipment, manufacturing or delivery delays, suspension of our operations and / or imposition of liabilities.

Interruptions in production as a result of an accident may also increase our costs and reduce our revenue, and may require us to make substantial capital expenditures to remedy the situation or to defend litigation that we or our senior management may become involved in, which may consequently have a negative effect on our profitability, business, financial condition, results of operations and prospects. Any negative publicity associated therewith, may have a negative effect on our business, financial condition, results of operations and prospects.

**32. Our business operations may be disrupted by an interruption in power supply, which may impact our business operations.**

Our manufacturing facilities require constant power supply and any disruption in the supply of power may disrupt our operations, which may interfere with manufacturing process requiring us to either stop our operations or repeat activities which may involve additional time and increase our costs. While we believe, we have adequate stand by power supply, this may not be adequate if the disruption in the supply of the power is for a longer period.

**33. We may face competition from competitors that may have greater financial and marketing resources. Failure to compete effectively may have an adverse impact on our business and results of operations.**

We compete directly and indirectly with other manufacturers and suppliers of rigid plastic sheets and thermoformed packaging products. Increased competition may force us to improve our service capabilities or lower our prices or result in loss of customers, which may adversely affect our profitability and market share. Some of our competitors may have greater capital, marketing, technological and other resources, which may enable them to commit larger amounts of capital in response to changing market conditions, or to achieve substantially more market penetration in certain segments of those markets in which we operate or to anticipate the course of market developments and trends more effectively than we do and develop capabilities that may render our processes obsolete or put us at a disadvantage. We may also face competition from new entrants in the market as well as aggressive pricing and marketing strategies by other manufacturers trying to gain market share. Any exclusive arrangements between suppliers of raw materials and our competitors may also increase our operating costs.

We believe that it is difficult to predict how the competitive landscape of our industry will develop over the long term. General competitive factors in the market, which may affect the level of competition over

the short and medium term, include time to market, quality, price, timely delivery, warranty and general customer experience.

**34. Our insurance coverage may not adequately protect us from all material risks and liabilities.**

We maintain insurance which we believe is typical in our industry in India and for amounts which we believe to be commercially appropriate for risks. However, such insurance may not be adequate to cover all our losses or liabilities that may arise from our operations. Our insurance policies contain exclusions and or all limitations on coverage, as a result of which, we may not be able to successfully assert our claims for any liability or loss under the said insurance policies. Additionally, there may be various other risks and losses, specially arising out of our business agreements, for which we are not insured because such risks are either uninsurable or not insurable on commercially acceptable terms. Furthermore, there can be no assurance that in the future we will be able to maintain insurance of the types or at levels which we deem necessary or adequate or at premiums which we deem to be commercially acceptable.

The occurrence of an event for which we are not insured, where the loss is in excess of insured limits or where we are unable to successfully assert insurance claims for losses, could result in unforeseen liabilities and losses. Further, despite such unforeseen losses we may remain obligated for any future financial indebtedness or other obligations related to our business. Any such unforeseen losses or liabilities could result in an adverse effect on our business operations, financial conditions and results of operations.

**35. Some of our Directors have interests other than reimbursement of expenses incurred and normal remuneration or benefits in our Company.**

Our Directors namely, Ramswaroop Radheshyam Thard and Naresh Radheshyam Thard are interested in our Company to the extent of the Equity Shares held by them in the Company, and any dividends, bonuses or other distributions on such Equity Shares. For details, refer chapters titled “*Our Management*”, “*Our Promoter and Promoter Group*” and section titled “*Financial Statements*” beginning on pages 164, 180 and 188 of this Draft Red Herring Prospectus, respectively.

**36. Our ability to pay dividends in the future will depend, inter alia, upon available financial resources, investment requirements and taking into account optimal shareholder returns.**

Our ability to pay dividends to our shareholders in the future will depend, inter alia, upon available financial resources, investment requirements and taking into account optimal shareholder returns. For details of the dividends paid by our Company, in the last five (5) Financial Years please refer to chapter titled “*Dividend Policy*” on page 187 of this Draft Red Herring Prospectus. The amounts paid as dividends in the past are not necessarily indicative of the dividend policy of our Company or dividend amounts, if any, in the future. There is no guarantee that any dividend will be declared or paid or that the amount thereof will not be decreased in the future.

**37. Our Promoters and Promoter Group will continue to hold majority shareholding after the completion of the Issue.**

After completion of the Issue, our Promoters and members of the Promoter Group will collectively own a majority of our equity share capital. As a result, our Promoters, together with the members of the Promoter Group, will continue to exercise a significant degree of influence over us and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act and our AOA. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in



control of our Company. In addition, our Promoters will continue to have the ability to cause us to take actions that are not in, or may conflict with, our interests or the interests of some or all of our creditors or minority shareholders, and we cannot assure you that such actions will not have an adverse effect on our future financial performance or the price of our Equity Shares.

**38. Significant differences exist between Indian GAAP and Ind AS and other accounting principles, such as IFRS and U.S. GAAP, which may be material to investors' assessments of our financial condition, result of operations and cash flows.**

Our Financial Statements for the six (6) months ended September 30, 2017 and for Fiscals 2017, 2016, 2015, 2014 and 2013 included in this Draft Red Herring Prospectus are prepared and presented in conformity with Indian GAAP, and in each case, restated in accordance with the requirements of section 26 of the Companies Act read with rule 4 of Companies (Prospectus and Allotment of Securities) Rules 2014, as amended, the SEBI ICDR Regulations and the Guidance Note on "Reports in Company Prospectus (Revised 2016)" issued by the ICAI. Indian GAAP differs from Ind AS and other accounting principles with which prospective investors may be familiar in other countries, such as IFRS and U.S. GAAP. Accordingly, the degree to which the Financial Statements included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian GAAP.

**39. Changes in currency exchange rates influence our results of operations.**

Changes in currency exchange rates influence our results of operations. We have imported and intend to import some of our machineries / spare parts and raw materials and also export our products which are denominated in foreign currencies, primarily in USD and Euro. Because of our foreign currency exposures, exchange rate fluctuations between the Indian Rupee and foreign currencies, especially the USD and Euro, can have a material impact on our results of operations, cash flows and financial condition. The exchange rate between the Indian Rupee and USD/ Euro has been volatile in recent periods. We have certain foreign currency loans which have been hedged partially, but this may not give complete protection from the foreign currency exposure on interest or repayment of such loans.

**40. Fluctuations in interest rates may impact our results of operations.**

Our exposure to interest rate risks primarily relates to our debt. Fluctuations in interest rates could negatively affect the amount of interest payable by us under our debt obligations and could make it more difficult for us to procure new debt on attractive terms.

## **EXTERNAL RISK FACTORS**

**41. General economic conditions and other factors that are beyond the control of our Company in India and globally could adversely affect the business and results of operations of our Company.**

Our results of operations and financial condition depend significantly on worldwide economic conditions and the health of the Indian economy. Various factors may lead to a slowdown in the Indian or world economy which in turn may adversely impact our business, financial performance and operations.

We mainly derive revenue from our operations in India and the performance and growth of our business is significantly dependent on the performance of the Indian economy. In the past, the Indian economy has been affected by global economic uncertainties, liquidity crisis, domestic policies, global political environment, volatility in interest rates, currency exchange rates, commodity and electricity prices, volatility in inflation rates and various other regulatory factors. Accordingly, high rates of inflation in

India could increase our employee costs and decrease our operating margins, which could have an adverse effect on our results of operations. Accordingly, high rates of inflation in India could increase our employee costs and decrease our operating margins, which could have an adverse effect on our results of operations.

Further the Indian economy is undergoing many changes and it is difficult to predict the impact of certain fundamental economic changes on our business. Conditions outside India, such as a slowdown or recession in the economic growth of other major countries, especially the United States, also have an impact on the growth of the Indian economy. Additionally, an increase in trade deficit, a downgrading in India's sovereign debt rating or a decline in India's foreign exchange reserves could negatively affect interest rates and liquidity, which could adversely affect the Indian economy and our business. A slowdown in the Indian economy could adversely affect the policy of the GoI towards our industry, which may in turn adversely affect our financial performance and our ability to implement our business strategy. A loss of investor confidence in other emerging market economies or any worldwide financial instability may adversely affect the Indian economy. Any changes in the regulations including environmental laws in India and/or globally could materially and adversely affect our business and results of operations and the market price of the Equity Shares.

**42. Companies operating in India are subject to a variety of taxes and surcharges.**

Tax and other levies imposed by the central and state governments in India that affect our tax liability include central and state taxes and other levies, income tax, goods and services tax, turnover tax, stamp duty, tax on dividends and other special taxes and surcharges which are introduced on a temporary or permanent basis from time to time. Moreover, the central and state tax scheme in India is extensive and subject to change from time to time. The central or state government may in the future increase the corporate income tax. Any such future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. Additional tax exposure could adversely affect our business, cash flows and results of operations.

**43. You may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.**

Under the current Indian Income Tax provisions, all transactions of purchase and sales of securities on Indian stock exchanges are subject to levy of securities transaction tax (STT) which will be collected by respective stock exchange on which the securities are transacted. Accordingly, the Indian Income Tax Act has special capital gains tax provisions for all transactions of purchase and sale of equity shares carried out on the Indian Stock Exchanges as enumerated below.

Under the current Indian Income Tax provisions, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Currently, any gain realised on the sale of listed equity shares on a stock exchange held for more than twelve (12) months will not be subject to capital gains tax in India if STT has been paid on the sales transaction. The recent Finance Act amendments provided that where the equity shares have been acquired on or after October 1, 2004 on which STT has not been paid at the time of acquisition, then the exemption of long-term capital gains under Section 10(38) of the Income Tax Act would not be available. This amendment further provides that the GoI will notify certain modes of acquisition to which the recent amendment made by the Finance Act would not be applicable and the shares acquired by such modes of acquisition would continue to get the benefit under Section 10(38) of the Income Tax Act. Such modes of acquisitions, which would continue to get the benefit under Section 10(38) of the Income Tax Act have been notified by the GoI under notification no. 43/2017/F. No. 370142/09/2017-TPL on June 5, 2017.

Any gain realised on the sale of shares on a stock exchange held for a period of twelve (12) months or less will be subject to short term capital gains tax. Further, any gain realised on the sale of listed equity shares held for a period of twelve (12) months or less which are sold other than on a recognised stock exchange and on which no STT has been paid, will be subject to short term capital gains tax at a relatively higher rate as compared to the transaction where STT has been paid in India.

The Ministry of Finance has in the union budget for 2018-19 proposed that any gain in excess of Rs. one (1) Lakh realised on the sale of listed equity shares on a stock exchange held for more than twelve (12) months will be subject to long term capital gains tax of 10% without allowing any benefit of indexation. However, all gains up to January 31, 2018 will be grandfathered. Capital gains arising from the sale of equity shares will be exempt from taxation in India in cases where an exemption is provided under a treaty between India and the country of which the seller is a 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 jurisdictions on gains arising from a sale of equity shares."

**44. Political instability or significant changes in the economic liberalization and deregulation policies of the Government or in the government of the states where the Company operates could disrupt its business.**

The Government has traditionally exercised and continues to exercise a significant influence over many aspects of the Indian economy. The Company's businesses, and the market price and liquidity of its securities may be affected by changes in exchange rates and controls, interest rates, government policies, taxation, social and ethnic instability and other political and economic developments in or affecting India. In recent years, India has been following a course of economic liberalization and the Company's business could be significantly influenced by socio-economic policies followed by the Government.

However, there can be no assurance that such policies will continue in the future. The rate of economic liberalization could change, and specific laws and policies affecting foreign investment, currency exchange rates and other matters affecting investment in India could change as well.

**45. Natural disasters could have a negative impact on the Indian economy and damage the Company's facilities.**

The Company's manufacturing facilities are vulnerable to natural disasters. In addition, natural disasters such as floods, earthquakes, epidemics or famines have in the past had a negative impact on the Indian economy. If any such event were to occur, the Company's business could be affected due to the event itself or due to its inability to effectively manage the effects of the particular event. Potential effects include the damage to infrastructure and the loss of business continuity, business information or inventories of raw materials or finished goods. Thus, any disruption in operations at our facility possessing equipment could have a material adverse effect on the Company's ability to provide products to its customers, and thus materially and adversely affect the Company. The recent currency demonetization measures imposed by the Government of India may adversely affect our business and the Indian economy.

**46. Any anticipated measures undertaken by the GoI or any regulatory authority such as the recent demonetization measures may adversely affect our business, financial condition and results of operations.**

On November 8, 2016, the GoI announced phasing out of large-denomination currency notes (Rs. 500 and Rs. 1,000, representing 86% of the total currency in circulation) as legal tender. They were immediately replaced with new Rs. 500 and Rs. 2,000 currency notes. This measure was undertaken to

curb corruption, tax evasion, and counterfeiting. The withdrawal from circulation started immediately and ended on December 30, 2016. Unexpected demonetization weighed on growth in the third quarter of financial year 2016 - 17. Any such anticipated measures undertaken by the GoI or any regulatory authority may adversely affect our business, financial condition and results of operations.

**47. Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.**

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI or in the alternate, the pricing is in compliance with the extant provisions of the SEBI ICDR Regulations. If the transfer of shares is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection or a tax clearance certificate from the income tax authority. We cannot assure investors that any required approval from the RBI or any other Government agency can be obtained on any particular terms or at all.

**48. Instability in Indian and / or global financial markets could adversely affect our results of operations and financial condition.**

The financial markets and the economy in India is influenced by economic and market conditions in other countries, particularly in United States of America, Asian emerging markets like Japan, Hong Kong and Singapore. Financial turmoil in global economy in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one (1) 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 markets, including United States, United Kingdom, Japan, Hong Kong and Singapore may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our results of operations and financial condition.

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

The Companies Act and rules made thereunder, the rules and regulations issued by SEBI and other regulatory authorities, the MOA, and AOA govern the corporate affairs of the Company. Indian 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 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 a shareholder in India than as a shareholder of a corporation in another jurisdiction.

**50. The price of the Equity Shares may be highly volatile after the Issue.**

The price of the Equity Shares on the Indian stock exchanges may fluctuate after this Issue as a result of several factors, including volatility in the Indian and global securities market; our operations and performance; performance of our competitors and the perception in the market about investments in the plastic rigid sheets and thermoformed products industry; adverse media reports on us or the Indian plastic

rigid sheets and thermoformed products industry; changes in the estimates of our performance or recommendations by financial analysts; significant developments in India's economic liberalization and deregulation policies; and significant developments in India's fiscal and environmental regulations. There can be no assurance that the prices at which the Equity Shares are initially traded will correspond to the prices at which the Equity Shares will trade in the market subsequently.

**51. QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid.**

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid and are required to pay the Bid Amount upon submission of the Bid. Events affecting the Bidders' decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business and results of operations or financial condition may arise between the date of submission of the Bid and Allotment. However, our Company may complete the Allotment of the Equity Shares even if such events occur, and QIBs and Non-Institutional Investors would not be able to withdraw or lower their Bids at any stage after submitting a Bid.

**52. There is no guarantee that the Equity Shares issued pursuant to the Issue will be listed on the NSE EMERGE in a timely manner or at all.**

In accordance with Indian law and practice, permission for listing of the Equity Shares issued pursuant to the Issue will not be granted until after such Equity Shares have been issued and Allotted. Such approval will require all other relevant documents authorizing the issue of Equity Shares to be submitted. There could be a failure or delay in listing these Equity Shares on the NSE EMERGE. Any failure or delay in obtaining the approval would restrict your ability to sell the Equity Shares.

**53. Terrorist attacks, civil unrests and other acts of violence or war involving India or other countries could adversely affect the financial markets, our business, financial condition and the price of our Equity Shares.**

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Incidents such as the terrorist attacks, other incidents such as those in US, Indonesia, Madrid and London, and other acts of violence may adversely affect the Indian stock markets where our Equity Shares will trade as well the global equity markets generally. Such acts could negatively impact business sentiment as well as trade between countries, which could adversely affect our Company's business and profitability. Additionally, such events could have a material adverse effect on the market for securities of Indian companies, including the Equity Shares.

**PROMINENT NOTES:**

1. Our Company was originally formed as a partnership firm under the Partnership Act, 1932 ("Partnership Act") in the name of M/s. Rajshree Industries, pursuant to a deed of partnership dated October 23, 2003. The name of M/s. Rajshree Industries was changed to M/s. Rajshree Polypack pursuant to a deed of re-constitution dated September 1, 2011. The said partnership was thereafter converted from a partnership firm to a private limited company under Part IX of the Companies Act, 1956 and registered with the Registrar of Companies, Mumbai with the name of "Rajshree Polypack Private Limited" on October 15, 2011. Subsequently, our Company was converted into a public limited company pursuant to a special resolution passed by our shareholders dated March 24, 2017

and the name of our Company was changed to “Rajshree Polypack Limited” to reflect the legal status of our Company pursuant to a fresh certificate of incorporation granted by the Registrar of Companies, Mumbai dated August 3, 2017.

For further details, please refer to the chapter titled “*History and Certain Corporate Matters*” beginning on page 156 of this Draft Red Herring Prospectus. Except as disclosed in the chapter titled “*History and Certain Corporate Matters*” beginning on page 156 of the Draft Red Herring Prospectus, there has not been any change in the name of our Company at any time during the last three (3) years immediately preceding the date of this Draft Red Herring Prospectus and there has not been any change in the objects clause of our MoA.

2. Initial Public Offering of up to 32,57,939 Equity Shares of face value of Rs. 10 each of Rajshree Polypack Limited for cash at a price of Rs. [●] per Equity Share including a share premium of Rs. [●] per Equity Share, aggregating up to Rs. [●] Lakhs. The Issue includes a reservation of upto [●] Equity Shares of face value of Rs. 10 each for cash at a price of Rs. [●] per Equity Share aggregating up to Rs. [●] Lakhs for subscription by the Market Maker to the Issue. The Issue less Market Maker Reservation Portion i.e. [●] Equity Shares of face value of Rs. 10 each for cash at a price of Rs. [●] per Equity Share, aggregating to Rs. [●] Lakhs constitutes the Net Issue. The Issue will constitute [●] % of the post Issue paid up Equity Share capital of our Company.

Our Company may consider Pre-IPO Placement by issuing up to 2,97,939 Equity Shares on private placement basis for cash consideration aggregating upto [●] Lakhs, at its discretion in favour of such investors permissible under applicable laws, to be completed prior to filing of the Red Herring Prospectus with the RoC and the details of which, if completed, will be included in the Red Herring Prospectus. If the Pre-IPO Placement is completed, the number of shares allotted pursuant to such Pre-IPO Placement will be reduced from the Issue, subject to compliance with Rule 19(2)(b) of SCRR. Promoters and members of the Promoter Group may participate in the Pre-IPO Placement. Whether or not the Promoters and members of the Promoter Group participate in the Pre-IPO Placement, they will not participate in the Issue.

3. The pre-Issue net worth of our Company was Rs. 4,342.36 Lakhs as of September 30, 2017 and Rs. 3,940.59 Lakhs as at March 31, 2017. The book value of each Equity Shares was at Rs. 54.44 as at September 30, 2017 and Rs. 49.41 as at March 31, 2017. For more information, please refer to section titled “*Financial Statements*” beginning on page 188 of this Draft Red Herring Prospectus.
4. The average cost of acquisition of Equity Shares by our Promoters is:

Name of the Promoter	No. of shares	Average Cost of Acquisition (Rs.)
Ramswaroop Radheshyam Thard	20,41,158	12.57
Naresh Radheshyam Thard	16,79,178	12.53
Sajjankumar N. Rungta HUF	17,25,132	27.68

5. The details of transactions of our Company with related parties, nature of transactions and the value of transactions, see section titled “*Financial Statements*” beginning on page 188 of this Draft Red Herring Prospectus.
6. Except as disclosed in the chapters titled “*Our Group Companies*” and “*Related Party Transactions*” on pages 185 and 186 respectively of this Draft Red Herring Prospectus, none of our Group Companies have any business or other interests in our Company.

7. There has been no financing arrangement whereby the Promoter Group, our Promoters, our Directors and their relatives have financed the purchase by any other person of securities of our Company other than in normal course of the business of the financing entity during the period of six (6) months immediately preceding the date of filing of this Draft Red Herring Prospectus with SEBI.
8. Investors are advised to refer to the chapter titled “*Basis for Issue Price*” beginning on page 93 of this Draft Red Herring Prospectus.
9. Investors may contact the BRLM for any clarification, complaint or information pertaining to the Issue. The BRLM 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.
10. Investors may note that in case of over-subscription in the Issue, Allotment to retail Applicants and other Applicants shall be on a proportionate basis. For more information, please refer to the chapter titled “*Issue Structure*” beginning on page 310 of this Draft Red Herring Prospectus.
11. Except as disclosed in the chapter titled “*Capital Structure*” beginning on page 66 of this Draft Red Herring Prospectus, we have not issued any Equity Shares for consideration other than cash.
12. Trading in Equity Shares of our Company for all investors shall be in dematerialized form only.

## **SECTION III - INTRODUCTORY**

### **SUMMARY OF INDUSTRY**

#### **ECONOMIC OUTLOOK**

##### **Global Economy**

As per International Monetary Fund (IMF) January 2018 World Economic Outlook (WEO), Global output is estimated to have grown by 3.7 percent in 2017, the global growth forecast for 2018 and 2019 is at 3.9 percent for both the years. The growth rate for emerging market and developing economies is estimated to rise up by 4.7 percent in 2017 while it is forecast to rise to 4.9 percent in 2018, 5.0 percent in 2019. This growth forecast primarily reflects stronger projected activity in emerging Europe and Asia for 2017, 2018 and 2019.

The US economy is estimated to be expanded at 2.3 percent in 2017 and projected to expand at 2.3 percent in 2018 and 2.2 percent in 2019. The projection of a continuation of near-term growth that is moderately above potential reflects very supportive financial conditions and strong business and consumer confidence. The U.S. tax policy changes are expected to stimulate activity, with the short-term impact in the U.S. mostly driven by the investment response to the corporate income tax cuts. Over a longer horizon, U.S. growth is expected to moderate. Potential growth is estimated at 1.8 percent, reflecting the assumption of continued sluggish growth in total factor productivity and diminished growth of the workforce due to population aging.

The euro area recovery is expected to gather strength this year, with growth estimated to rise to 2.4 percent in 2017, before moderating to 2.2 percent in 2018 and 2.0 percent in 2019. The growth in 2017 mostly reflects acceleration in exports in the context of the broader pickup in global trade and continued strength in domestic demand growth supported by accommodative financial conditions amid diminished political risk and policy uncertainty. Growth in the United Kingdom is estimated at 1.7 percent in 2017 and to subside to 1.5 percent in 2018 and 2019. The slowdown is driven by softer growth in private consumption as the pound's depreciation weighed on household real income. The medium-term growth outlook is highly uncertain and will depend in part on the new economic relationship with the European Union and the extent of the increase in barriers to trade, migration, and cross-border financial activity.

In China, growth is estimated to notch up to 6.8 percent in 2017, while projected to slow to 6.6 percent in 2018 and 6.4 percent in 2019. The upward revision to the 2017 forecast reflects the stronger-than-expected outturn in the year underpinned by previous policy easing and supply-side reforms.

In the rest of emerging market and developing Asia, growth is expected to be vigorous. Strong government spending and data revisions in India led to an upward revision of 2016 growth to 7.1 percent with upward revisions of about 0.2 percentage point, on average, for 2014 and 2015. However, the growth estimated for 2017 to 6.7 percent reflecting still lingering disruptions associated with the currency exchange initiative introduced in November 2016, as well as transition costs related to the launch of the national Goods and Services Tax in July 2017. The latter move, which promises the unification of India's vast domestic market, is among several key structural reforms under implementation that are expected to help push growth above 8 percent in the medium term. In the ASEAN-5 economies (Indonesia, Malaysia, Philippines, Thailand, Vietnam), growth is estimated to strengthen in 2017 by 5.3 percent, partly because of stronger-than-expected external demand from China and Europe.

Global growth is forecast to increase marginally beyond 2018, reaching 3.8 percent by 2021. With growth in advanced economies projected to gradually decline towards potential growth rate of about 1.7 percent once



economic slack is eliminated, this further pickup in global activity is entirely driven by emerging market and developing economies. In these countries, growth is projected to increase to 5 percent by the end of the forecast period, with their impact on global activity boosted by their rising world economic weight. This forecast assumes some strengthening of growth in commodity exports, though to rates much more modest than in 2000–15; a gradual increase in India's growth rate resulting from implementation of important structural reforms; continued strong growth in other commodity imports; and a lower but still high trend growth rate in China.

#### **Real GDP Growth (%):**

<b>Country &amp; Groups</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
		<b>Estimate</b>	<b>Projections</b>	<b>Projections</b>
World Output	3.2	3.7	3.9	3.9
Advanced economies	1.7	2.3	2.3	2.2
Emerging Market and Developing Economies	4.4	4.7	4.9	5.0
Emerging and Developing Asia	6.4	6.5	6.5	6.6
China	6.7	6.8	6.6	6.4
India	7.1	6.7	7.4	7.8
ASEAN-5	4.9	5.3	5.3	5.3
Emerging and Developing Europe	3.2	5.2	4.0	3.8
Latin America & the Caribbean	(0.7)	1.3	1.9	2.6
Middle East, North Africa	4.9	2.5	3.6	3.6
Sub-Sahara Africa	1.4	2.7	3.3	3.5
Low-Income Developing Countries	3.6	4.7	5.2	5.3

(Source: International Monetary Fund, January 2018)

#### **Indian Economy:**

India has become the fastest growing major economy in the world according to the CSO and IMF. According to the IMF, post demonetization, India's growth is projected to rebound to 7.4 percent in FY 2019 and further to 7.8 percent in FY 2020. According to IMF January 2018 economy outlook, India's economy is expected to grow by 6.7 in fiscal year 2017-18. The improvement in India's economic fundamentals has accelerated in 2015 with the combined impact of strong government reforms, the inflation focus of the RBI supported by global commodity prices.

Moody's Investors Service ("Moody's") has upgraded the Government of India's local and foreign currency issuer ratings to Baa2 from Baa3 and changed the outlook on the rating to stable from positive in November 2017. India's rating has been upgraded after a period of thirteen (13) years. India's sovereign credit rating was last upgraded in January 2004 to Baa3.

India's GDP will grow by 6.7% in the current fiscal, sharply down from 7.1% growth clocked by it in 2016-17, the CSO. The CSO's estimate on GDP growth for 2017-18 is even lower than the RBI's lowered projection of 6.7%. The central bank had initially forecast GDP growth at 7.3% for this fiscal. The gross value added (GVA) is projected to grow by 6.1% in 2017-18, down from 6.6% in 2016-17. The manufacturing sector is expected to grow by 4.6% vs 7.9% the previous year, agriculture by 2.1% vs 4.9%, electricity and utility services by 7.5% vs 7.2% in the last fiscal. The construction sector, which has been in the doldrums so far, is seen picking up to 3.6% from 1.7% in 2016-17. Finance, insurance, real estate and profession services sector is expected to post 7.3% growth, up from 5.7% in 2016-17.

Direct tax collections during the first nine-and-a-half months of the current fiscal have risen by 18.7 percent to Rs 6.89 Lakh crore. The collection amounts to 70 percent of the Rs 9.8 Lakh crore revenue target from direct taxes.

The growth in corporate tax collections has risen from 4.8 per cent in first quarter of current fiscal to 10.1 per cent in Q3 and 11.4 per cent as on January 15, 2018. Similarly, the growth rate of net corporate tax collections increased from 10.8 per cent in Q2 to 17.4 per cent in Q3 and to 18.2 per cent as on January 15, 2018.

India has maintained its position as the third largest start up base in the world with more than 5,200 technology start-ups, with approximately 1,000 new start-ups to be founded in 2017, according to a report issued by National Association of Software and Services Companies (NASSCOM).

The Indian workforce is expected to hit 160-170 million by 2020, according to the population growth rate, the greater participation in the labor force and enrollment in higher education, among other factors, according to a study by the Associated Chambers of Commerce of India (ASSOCHAM) and Thought Arbitrage Research Institute.

India's foreign exchange reserves was measured at 377.5 USD Bn. in Nov 2017, compared with 374.8 USD Bn. in the previous month.

### **Government Initiative:**

The GoI announced the demonetization of high denomination notes of Rs.1,000 and Rs.500, with effect on November 8, 2016, in order to eliminate black money and the growing threat of false banknotes in Indian currency, thus creating opportunities of improvement in economic growth.

In the Union Budget 2017-18, the Finance Minister, stated that the biggest boost of the budget proposals is the stimulation of growth, provide relief to the middle class, provide affordable housing, reduce black money, digitize the economy, increase transparency in political financing and simplify the tax administration in the country.

India's unemployment rate increased to 3.60 % in December 2017, from the previously reported number of 3.50 % in December 2016. India's unemployment rate is updated yearly, available from December 1991 to December 2017, with an average rate of 3.90 %. The data reached an all-time high of 4.40 % in December 2005 and a record low of 3.50 % in December 2016.

Numerous foreign companies are establishing their facilities in India because of several government initiatives such as Make in India and Digital India with the aim of boosting the manufacturing sector of the Indian economy to increase the purchasing power of an average Indian consumer, which would boost demand and stimulate development in addition to benefiting investors. The GoI, under the Make in India initiative, seeks to boost the contribution of the manufacturing sector and aims to raise it to 25 percent of the current 17 percent GDP. In addition, the GoI has also presented the Digital India initiative, which focuses on three basic components: the creation of digital infrastructure, the provision of services in digital form and the increase of digital literacy.

The GoI along with its investment promotion agency, invest India, are in discussion with around 300 Indian and foreign companies to channelize investments worth US\$ 62 Bn., which will help create over 1.7 million job opportunities in India.

### **Road Ahead:**

India is expected to be the third largest consumer economy since its consumption could triple to 4 trillion dollars by 2025, due to the change in consumer behaviour and the pattern of spending, according to a report by BCG; and it is estimated that it will surpass USA to become the second largest economy in terms of PPA for the year 2040. In addition, the Prime Minister has declared that India has become the world's fastest growing economy, and is expected to multiply by five (5) in 2040, due to a series of policy measures.

*(Source: Trading Economics, IBEF, Industry Source)*

### **PP, PET and HIPS**

#### **Polyethylene Terephthalate (PET)**

PET, which stands for polyethylene terephthalate, is a form of polyester (just like the clothing fabric). It is extruded or molded into plastic bottles and containers for packaging foods and beverages, personal care products, and many other consumer products. PET is a highly valued packaging material because it is strong yet lightweight, non-reactive, economical, and shatterproof. PET, or polyethylene terephthalate, is the chemical name for polyester. When PET is used for fiber or fabric applications, it is usually referred to as "polyester". When used for container and packaging applications, it is typically "PET" or "PET resin". PET is a biologically inert material that doesn't react with foods or beverages and is resistant to attack by micro-organisms. It has also been used by consumers around the world for more than thirty (30) years without any known adverse effects. Extensive testing of PET and PET packaging has repeatedly shown it to be safe. PET itself is biologically inert if ingested.

PET's safety for food, beverage, and personal care, pharmaceutical and medical applications is recognized by health authorities around the world. PET containers are popular for packaging sodas, water, juices, salad dressings, cooking oil, peanut butter, shampoo, liquid hand soap, mouthwash, pharmaceuticals, even tennis balls. Special grades of PET are used for carry-home prepared food containers that can be warmed in the oven or microwave. PET is a polymer of ethylene glycol and terephthalic acid. Pellets of PET resin are heated to a molten liquid, which can be easily extruded or molded into almost any shape.

*(Source: CARE Advisory Report, February 2018)*

## SUMMARY OF BUSINESS

### Business Overview

With more than a decade of experience in operating in the plastic packing products industry, we are one of the leaders in manufacturing of rigid plastic sheets and thermoformed packaging products (*source: CARE Advisory Report, February 2018*) to the industry segment we cater to. We aim to continue to build our strengths in the field of rigid and semi-rigid plastic sheets and plastic packaging products. We manufacture customized plastic thermoformed packaging products which are tailored to the client's requirements. Our products range from yoghurt & ice cream containers, food packing, QSRs, coffee cups, bakery products and confectioneries, beverage cups & containers, generic bowls, punnets & trays for fruits and vegetable packing, lids etc. We have a wide range of sizes and designs to meet the customers' need. Our incessant commitment to design and development continues to add new products to our existing product-line.

With an annual capacity of over 10,000 MT and more than 100 products, we are fundamentally committed to the ongoing technical advancement, whilst aiming to stay updated on the technology used in our business. Our manufacturing facility at Factory Unit - II at Daman has been equipped with the state of the art machinery.

In the year 2004-05, we believe we were one of the early ones to introduce 6-colour printing in dry offset technology in the Indian market. In the year 2008-09, we introduced alternate decoration technology of shrink sleeving on cups and containers which has grown extensively since then. This has helped our distinguished clients to provide a better and a more attractive product to their consumers.

We have constantly strived to grow and improve. From a modest set up when we started our business in the year 2004, presently we are operating out of three (3) manufacturing facilities. For details regarding our history and major milestones, please refer to the chapter titled "*History and Certain Corporate Matters*" beginning on page 156 of this Draft Red Herring Prospectus.

For Fiscals 2017, 2016 and 2015, our revenue from operations was Rs. 9,506.04 Lakhs, Rs. 9,503.14 Lakhs and Rs. 6,484.37 Lakhs, respectively, representing a CAGR of 21.08% during the last three (3) Fiscals. For Fiscals 2017, 2016 and 2015, our net profit was Rs. 877.90 Lakhs, Rs. 794.24 Lakhs and Rs. 72.38 Lakhs, respectively, representing a CAGR of 248.27% during the last three (3) Fiscals. For Fiscals 2017, 2016 and 2015, our EBITDA was Rs. 2,133.30 Lakhs, Rs. 2,017.14 Lakhs and Rs. 879.59 Lakhs, respectively, representing a CAGR of 55.73% during the last three (3) Fiscals. As of January 31, 2018, our long-term bank facilities are rated CARE BBB+ and our short-term bank facilities are rated CARE A3+.

### Our business and products

Packaging is a vital communicator with the customer/consumer, it plays a major role in giving a distinctive look and preserving the flavours and hygiene of the products which also protects the contents. Further, distinctive packaging also stands out whilst transporting the products. We provide rigid plastic packaging products (along with lids) in various shapes and sizes. We have a diversified range of products that cater to the dairy, beverages, FMCG, QSR, retail, pharmaceuticals and the electronics sector.

Our product range includes cups for cheese, yoghurt & curd, ice cream and desserts, packaging of juice, beverages and water, rectangular meal trays, trays for sweets and confectionaries, generic bowls, rectangular hinged containers, clear cups – PET, clear cups – PP, plates and barrier PP products.

A product wise breakdown of the Industry / Segment catered to by us is as under:

<b>Products</b>	<b>Industry / segment catered to</b>
Drinking cups	Packaged drinking water; juices; beverages
Containers / curd / yoghurt cups	Dairy products; restaurants (in-house and take-away)
Ice-cream cups / containers	FMCG; dairy products
Plates / trays	Restaurants (in-house and take-away); QSR
Bowls	Restaurants (in-house and take-away); QSR
Lids	Dairy products; restaurants (in-house and take-away)
Hinged containers	Confectionaries

We are equipped to specialize in customized products and all the products that are manufactured in various sizes by us are as per the variegated needs of the customers. The shapes and sizes of the entire product range can be customized based on the product specification and customer's requirement. We ensure excellent shelf visibility with various decorations/design options like printing, labeling and sleeving. In additions to this, we constantly strive to improve our materials so as to ensure higher shelf life for our customers' products.

We also produce rigid plastic sheets of PP / APET / GPET and HIPS, which are sold for 'form filled sealed' (FFS) application, for box making and for vacuum forming applications.

### **Our Strengths**

- Consistent track record of organic growth;
- We are one of the leaders in manufacturing of rigid plastic sheets and thermoformed packaging products to the industry segment we cater to in India;
- Strong customer relationships with a wide variety of industry players;
- Experienced management team;
- Relatively insulated against seasonality;
- Efficient infrastructure and resources management with strict quality control standards;
- Adaptation to new technologies;
- Co-development of products;
- Operations out of Daman which keeps our production costs down as the cost of power is relatively low in Daman. Daman also offers a locational advantage as it is located in the central west of India offering an ability to serve a substantial length of the country by way of its equal proximity to both north and south of India.

### **Our Strategies**

- Focus on operational efficiencies to improve returns;
- Continually co-develop products with our key customers;
- Focus on products and material that have a higher margin;
- Expand our customer base to US and UK and further increase our footprint in the Middle East.

## SUMMARY OF FINANCIAL STATEMENTS

### RESTATED STATEMENT OF ASSETS AND LIABILITIES

(Amount in Rs. Lakhs)

Particulars	Annexures	As at September 30, 2017	As at March 31				
			2017	2016	2015	2014	2013
<b><u>EQUITY AND LIABILITIES</u></b>							
<b>Shareholder's funds</b>							
Share Capital	V	797.61	797.61	265.87	247.87	247.87	247.87
Reserves and Surplus	VI	3,544.75	3,142.98	2,868.82	2,153.92	2,081.54	2,084.78
		<b>4,342.36</b>	<b>3,940.59</b>	<b>3,134.69</b>	<b>2,401.79</b>	<b>2,329.41</b>	<b>2,332.65</b>
<b>Non-current Liabilities</b>							
Long-term borrowings	VII	1,676.94	1,984.44	1,868.15	2,170.10	2,141.18	1,098.10
Deferred tax liabilities (net)	VIII	467.44	476.49	370.26	64.32	26.97	49.02
Other Long-term liabilities	IX	-	-	28.84	107.46	154.13	-
		<b>2,144.38</b>	<b>2,460.93</b>	<b>2,267.25</b>	<b>2,341.88</b>	<b>2,322.28</b>	<b>1,147.12</b>
<b>Current Liabilities</b>							
Short-term borrowings	X	386.78	107.83	757.52	596.24	250.55	133.55
Trade payables	XI						
Total Outstanding amount due to Micro and Small Enterprises		11.06	11.81	6.17	5.81	-	-
Total Outstanding amount due to Others		693.09	685.05	716.16	613.52	451.19	272.29
Other current liabilities	XII	795.66	791.97	582.71	452.63	339.06	80.15
Short term provisions	XIII	60.01	148.12	136.74	38.95	17.65	28.12
		<b>1,946.60</b>	<b>1,744.78</b>	<b>2,199.30</b>	<b>1,707.15</b>	<b>1,058.45</b>	<b>514.11</b>
<b>Total Equity and Liabilities</b>		<b>8,433.34</b>	<b>8,146.30</b>	<b>7,601.24</b>	<b>6,450.82</b>	<b>5,710.14</b>	<b>3,993.88</b>
<b><u>ASSETS</u></b>							
<b>Non-Current Assets</b>							
Property Plant and Equipment	XIV						
Tangible assets		4,530.64	4,655.37	3,745.21	3,673.35	3,392.07	719.26
Intangible assets		14.50	14.24	23.43	-	-	-
Capital work in progress	XV	-	-	38.10	-	419.93	276.18
Intangible Asset under Development	XVI	-	-	-	34.29	27.80	15.24
Non - current investments	XVII	33.30	29.60	24.94	22.15	43.94	262.66
Long - term loans and advances	XVIII	290.62	293.31	563.85	234.28	219.77	1,029.03
Other Non - Current Assets	XIX	321.72	301.73	12.28	1.80	-	-
		<b>5,190.78</b>	<b>5,294.25</b>	<b>4,407.81</b>	<b>3,965.87</b>	<b>4,103.51</b>	<b>2,302.37</b>

<b>Current Assets</b>							
Inventories	XX	1,121.52	1,299.29	733.59	805.73	612.55	310.42
Trade receivables	XXI	1,778.45	1,269.28	1,403.94	935.07	565.48	564.35
Cash and Bank Balance	XXII	206.97	102.41	927.39	452.43	58.68	765.23
Short - term loans and advances	XXIII	135.62	181.07	128.51	291.72	361.38	49.72
Other current Assets	XXIV	-	-	-	-	8.54	1.79
		<b>3,242.56</b>	<b>2,852.05</b>	<b>3,193.43</b>	<b>2,484.95</b>	<b>1,606.63</b>	<b>1,691.51</b>
<b>Total Assets</b>		<b>8,433.34</b>	<b>8,146.30</b>	<b>7,601.24</b>	<b>6,450.82</b>	<b>5,710.14</b>	<b>3,993.88</b>

The above statement should be read with the Significant Accounting Policies, appearing in Annexure IV B; Statement on adjustment to restated Financial statements, appearing in Annexure IV C; and summary statement of restated Financial information, appearing in Annexure IV D and Annexure V to XXXVII.

**RESTATED STATEMENT OF PROFITS AND LOSS**
**(Amount in Rs. Lakhs)**

Particulars	Annexures	For the Period Ended September 30, 2017	For the Year Ended March 31				
			2017	2016	2015	2014	2013
<b>INCOME</b>							
Revenue from operation (Gross)	XXV	5,826.84	10,564.46	10,643.31	7,314.94	4,352.24	3,355.27
Less: Excise Duty		358.23	1,058.42	1,140.17	830.57	475.08	367.98
Revenue from operation (Net)		5,468.61	9,506.04	9,503.14	6,484.37	3,877.16	2,987.29
Other income	XXVI	22.09	114.37	48.49	20.71	23.83	65.40
<b>Total Revenue</b>		<b>5,490.70</b>	<b>9,620.41</b>	<b>9,551.63</b>	<b>6,505.08</b>	<b>3,900.99</b>	<b>3,052.69</b>
<b>EXPENSES</b>							
Cost of materials consumed	XXVII	3,009.19	5,133.19	5,018.86	3,666.49	2,431.25	1,731.24
Purchases of stock - in – trade	XXVIII	33.52	50.36	98.69	188.00	179.87	32.20
Changes in inventories of finished goods, Work-in-progress and stock in trade	XXIX	1.63	(330.95)	3.67	22.15	(331.55)	46.69
Employee benefits expense	XXX	420.81	740.71	700.00	505.91	326.33	233.67
Finance costs	XXXI	114.98	291.50	396.78	390.43	137.05	9.83
Depreciation and Amortization		270.41	486.14	416.10	379.44	281.74	89.08
Other expenses	XXXII	953.15	1,893.80	1,713.27	1,242.94	901.58	666.29
<b>Total Expenses</b>		<b>4,803.69</b>	<b>8,264.75</b>	<b>8,347.37</b>	<b>6,395.36</b>	<b>3,926.27</b>	<b>2,809.00</b>
<b>Restated Profit / (Loss) before tax</b>		<b>687.01</b>	<b>1,355.66</b>	<b>1,204.26</b>	<b>109.72</b>	<b>(25.28)</b>	<b>243.69</b>
<b>Less: Tax expenses</b>							
- Current tax		146.69	289.36	257.05	22.24	-	39.59
- MAT Credit Utilized		75.60	82.17	-	-	-	-
- MAT credit entitlement		-	-	(152.97)	(22.24)	-	(11.31)
- Deferred tax liability / (asset)		(9.04)	106.23	305.94	37.34	(22.04)	23.80
		<b>213.25</b>	<b>477.76</b>	<b>410.02</b>	<b>37.34</b>	<b>(22.04)</b>	<b>52.08</b>
<b>Restated Profit / (loss) for the year</b>		<b>473.76</b>	<b>877.90</b>	<b>794.24</b>	<b>72.38</b>	<b>(3.24)</b>	<b>191.61</b>

The above statement should be read with the Significant Accounting Policies, appearing in Annexure IV B; Statement on adjustment to restated Financial statements, appearing in Annexure IV C; and summary statement of restated Financial information, appearing in Annexure IV D and Annexure V to XXXVII.



**RESTATED STATEMENT OF CASH FLOWS**
**(Amount in Rs. Lakhs)**

Particulars	For the Period Ended September 30, 2017	For the Year Ended March 31				
		2017	2016	2015	2014	2013
<b>A. Cash Flow from Operating Activities</b>						
<b>Profit / (Loss) before tax</b>	<b>687.01</b>	<b>1,355.66</b>	<b>1,204.26</b>	<b>109.72</b>	<b>(25.28)</b>	<b>243.69</b>
<u>Adjustments for:</u>						
Depreciation	270.41	486.14	416.10	379.44	281.74	89.08
Profit on sale of Investment	(2.63)	(0.05)	-	-	-	-
Loss on sale of Vehicle	0.06	0.14	-	-	-	-
Loss on sale of Investment	-	-	-	0.01	-	0.24
Finance costs	114.98	291.51	396.79	390.43	137.05	9.83
Provision for Doubtful Debts	-	-	0.50	-	1.36	2.24
Net Loss on Foreign Currency Translation	0.79	(75.27)	(25.01)	3.15	2.32	(7.62)
Dividend income	-	(0.13)	(0.40)	(0.82)	(10.88)	(48.95)
Interest income	(9.20)	(23.66)	(14.61)	(8.69)	(3.09)	(1.53)
<b>Operating Profit before Working Capital changes</b>	<b>1,061.42</b>	<b>2,034.34</b>	<b>1,977.63</b>	<b>873.24</b>	<b>383.22</b>	<b>286.98</b>
<u>Adjustments for:</u>						
(Increase) / Decrease in inventories	177.78	(565.72)	72.15	(193.19)	(302.12)	0.94
(Increase) / Decrease in trade receivables	(509.18)	134.67	(469.37)	(369.59)	(2.49)	(118.76)
(Increase) / Decrease in short term loans and advances	45.44	(52.57)	163.22	69.64	(311.65)	29.46
(Increase) / Decrease in long term loans & advances	(5.16)	(25.13)	(28.93)	(13.85)	(53.60)	(4.10)
(Increase) / Decrease in Other Current Asset	-	-	-	8.54	(6.74)	(0.63)
Increase/(Decrease) in trade payable	6.55	49.83	127.96	165.03	176.55	22.76
Increase/(Decrease) in short term provisions	28.59	(5.04)	11.52	0.06	4.00	6.52
Increase/(Decrease) in other current liabilities	(19.77)	52.66	52.49	(8.73)	43.32	23.12
<b>Cash generated from / (used in) operations</b>	<b>785.67</b>	<b>1,623.04</b>	<b>1,906.67</b>	<b>531.15</b>	<b>(69.51)</b>	<b>246.29</b>
Direct taxes Paid	(272.95)	(269.73)	(174.70)	(1.01)	(16.26)	(42.21)
<b>Net cash flow from / (used in) operating activities</b>	<b>512.72</b>	<b>1,353.31</b>	<b>1,731.97</b>	<b>530.14</b>	<b>(85.77)</b>	<b>204.08</b>

Particulars	For the Period Ended September 30, 2017	For the Year Ended March 31				
		2017	2016	2015	2014	2013
<b>B. Cash Flow from Investing Activities</b>						
Purchase of Property Plant and Equipment	(146.13)	(1,350.02)	(477.10)	(660.72)	(2,954.55)	(361.43)
Sale of Property Plant and Equipment	0.13	0.87	-	-	-	-
Capital Advances	(58.22)	210.30	(143.73)	21.58	864.65	(974.35)
Increase/(Decrease) in Creditors for Capital Goods	(0.48)	14.61	(80.80)	(71.39)	186.62	(1.66)
Intangible Asset under Development	-	-	-	(6.49)	(12.56)	(15.24)
Changes in Capital Work in Progress	-	-	(38.11)	419.93	(143.76)	(276.18)
Purchase of Investments	(7.20)	(12.40)	(2.80)	(2.40)	(2.40)	(262.66)
Sale of Investment	6.13	7.79	-	24.18	221.12	92.31
Investment in Fixed Deposits	(20.81)	(227.64)	8.00	(106.13)	70.15	(89.40)
Dividend received	-	0.13	0.40	0.82	10.88	48.95
Interest income	9.20	23.66	14.61	8.69	3.09	1.53
<b>Net cash flow from / (used in) investment activities</b>	<b>(217.38)</b>	<b>(1,332.70)</b>	<b>(719.53)</b>	<b>(371.93)</b>	<b>(1,756.76)</b>	<b>(1,838.13)</b>
<b>C. Cash Flow from Financing Activities</b>						
Repayment of Borrowings	55.95	(460.26)	(92.89)	-	-	-
Proceeds from Borrowings	-	-	-	521.64	1,343.19	1,140.86
Proceeds from issue of shares (Incl. Securities Premium)	-	-	90.00	-	-	-
Share issue Expenses	-	-	-	-	-	(73.90)
Final Dividend Paid (including Dividend Distribution Tax)	(48.39)	(32.00)	-	-	-	-
Interim Dividend Paid (including Dividend Distribution Tax)	(84.18)	-	(119.33)	-	-	-
Finance costs	(114.98)	(291.51)	(396.79)	(390.43)	(137.05)	(9.83)
<b>Net cash flow from / (used in) financing activities</b>	<b>(191.60)</b>	<b>(783.77)</b>	<b>(519.01)</b>	<b>131.21</b>	<b>1,206.14</b>	<b>1,057.13</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>103.74</b>	<b>(763.16)</b>	<b>493.43</b>	<b>289.42</b>	<b>(636.39)</b>	<b>(576.92)</b>
Cash and cash equivalents at the beginning of the year	54.77	817.93	324.50	35.08	671.47	1,248.39
<b>Cash and cash equivalents at the end of the year</b>	<b>158.51</b>	<b>54.77</b>	<b>817.93</b>	<b>324.50</b>	<b>35.08</b>	<b>671.47</b>

Cash and Cash Equivalents at the end of the year consists of cash in hand and balances with banks are as follows:

Particulars	For the Period Ended September 30, 2017	For the Year Ended March 31				
		2017	2016	2015	2014	2013
Cash on hand	5.00	15.57	18.49	14.48	13.76	6.40
Balances with Scheduled bank on current account	153.51	39.20	629.28	310.02	21.32	665.07
Fixed Deposit (original maturity less than three Months)	-	-	170.16	-	-	-
	<b>158.51</b>	<b>54.77</b>	<b>817.93</b>	<b>324.50</b>	<b>35.08</b>	<b>671.47</b>

**Note:**

- 1 The above statement should be read with the Significant Accounting Policies, appearing in Annexure IV B; Statement on adjustment to restated Financial statements, appearing in Annexure IV C; and summary statement of restated Financial information, appearing in Annexure IV D and Annexure V to XXXVII.
- 2 The above restated summary statement of cash flows has been prepared under the 'Indirect Method' as set out in the Accounting Standard - 3 on 'Cash Flow Statements'
- 3 The above summary statement of restated cash flows has been compiled from and is based on the summary statement of restated assets and liabilities as at September 30, 2017 and as at March 31, 2017, 2016, 2015, 2014 and 2013 and the related summary statement of profit and loss for the years ended on that date.

## THE ISSUE

The following table summarizes the Issue details:

Particulars	Details of Equity Shares
Issue of Equity Shares by our Company	Upto 32,57,939* Equity Shares of face value of Rs.10 each fully paid-up for cash at price of Rs. [●] per Equity Share aggregating to Rs. [●] Lakhs
<b>Of Which: -</b>	
Market Maker Reservation Portion	Upto [●] Equity Shares of face value of Rs. 10 each fully paid-up for cash at price of Rs. [●] per Equity Share aggregating to Rs [●] Lakhs
Net Issue to the Public	Upto [●] Equity Shares of face value of Rs.10 each fully paid-up for cash at price of Rs. [●] per Equity Share aggregating to Rs [●] Lakhs
<b>Of Which</b>	
<b>(A) QIB Portion</b>	QIB Portion being upto [●] % of the Net Issue aggregating upto [●] Equity Shares
<b>Of Which</b>	
Anchor Investor Portion	Not more than [●] Equity Shares (of which [●] Equity Shares will be reserved for allocation to domestic Mutual Funds)
Balance available for allocation to QIBs other than Anchor Investors	[●] Equity Shares
<b>Of Which</b>	
Available for allocation to Mutual Fund only (5% of the QIB Portion (excluding Anchor Investor))	[●] Equity Shares
Balance for all QIB including Mutual Funds	[●] Equity Shares
<b>(B) Non – Institutional Portion</b>	Non – Institutional Portion of not less than 15 % of the Net Issue aggregating to not less than [●] Equity Shares.
<b>(C) Retail Portion</b>	Retail Portion of not less than 35% of the Net Issue aggregating to not less than [●] Equity Shares.
<b>Pre-and Post-Issue Equity Shares</b>	
Equity Shares outstanding prior to the Issue	[●] Equity Shares of face value of Rs. 10 each
Equity Shares outstanding after the Issue	[●] Equity Shares of face value of Rs. 10 each
Use of Issue Proceeds	For details please refer chapter titled “ <i>Objects of the Issue</i> ” beginning on page 84 of this Draft Red Herring Prospectus.

*\* Our Company may consider issuing up to 2,97,939 Equity Shares on private placement basis for cash consideration aggregating upto [●] Lakhs, at its discretion in favour of such investors permissible under applicable laws, to be completed prior to filing of the Red Herring Prospectus with the RoC (“Pre-IPO Placement”) and the details of which, if completed, will be included in the Red Herring Prospectus. If the Pre-IPO Placement is completed, the number of shares allotted pursuant to such Pre-IPO Placement will be reduced from the Issue, subject to compliance with Rule 19(2)(b) of SCRR. Promoters and members of the Promoter Group may participate in the Pre-IPO Placement. Whether or not the Promoters and members of the Promoter Group participate in the Pre-IPO Placement, they will not participate in the Issue.*

## Notes

- *The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on November 20, 2017 and approved by the shareholders of our Company vide a special resolution at the EGM held on December 18, 2017 pursuant to section 62(1)(c) of the Companies Act.*
- *This Issue is being made in terms of Chapter XB and other applicable provisions of SEBI ICDR Regulations. The present Issue is being made by our Company in terms of Regulation 106M(2) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post-Issue paid-up Equity Share capital of our Company is being offered to the public for subscription.*

1. In the event of over-subscription, allotment shall be made on a proportionate basis, subject to valid Bids received at or above the Issue Price;
2. Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in the Non-Institutional Portion and Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories.
3. Such number of Equity Shares representing [●] % of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs, subject to valid Bids being received from them at or above the Issue Price. In the event that the demand from Mutual Funds is greater than [●] Equity Shares, allocation shall be made to Mutual Funds proportionately, to the extent of the Mutual Fund Portion. The remaining demand by the Mutual Funds shall, as part of the aggregate demand by QIBs, be available for allocation proportionately out of the remainder of the Net QIB Portion, after excluding the allocation in the Mutual Fund Portion. However, in the event of under-subscription in the Mutual Fund Portion, the balance Equity Shares in the Mutual Fund Portion will be added to the Net QIB Portion and allocated to QIBs (including Mutual Funds) on a proportionate basis, subject to valid Bids at or above Issue Price.
4. Our Company may consider issuing up to 2,97,939 Equity Shares on a private placement basis for cash aggregating up to Rs. [●] Lakhs, at its discretion, in favour of such investors permissible under applicable laws, to be completed prior to the filing of the Red Herring Prospectus with the RoC and the details of which, if completed, will be included in the Red Herring Prospectus. If the Pre-IPO Placement is completed, the shares issued pursuant to the Pre-IPO Placement will be reduced from the Issue, subject to compliance with Rule 19(2)(b) of SCRR. Promoters and members of the Promoter Group may participate in the Pre-IPO Placement. Whether or not the Promoters and members of the Promoter Group participate in the Pre-IPO Placement, they will not participate in the Issue.

For further details, please refer to section titled “*Issue Information*” beginning on page 303 of this Draft Red Herring Prospectus.

## GENERAL INFORMATION

Our Company was originally formed as a partnership firm under the Partnership Act, 1932 (“Partnership Act”) in the name of M/s. Rajshree Industries, pursuant to a deed of partnership dated October 23, 2003. The name of M/s. Rajshree Industries was changed to M/s. Rajshree Polypack pursuant to a deed of re-constitution dated September 1, 2011. The said partnership was thereafter converted from a partnership firm to a private limited company under Part IX of the Companies Act, 1956 and registered with the Registrar of Companies, Mumbai with the name of “Rajshree Polypack Private Limited” on October 15, 2011. Subsequently, our Company was converted into a public limited company pursuant to a special resolution passed by our shareholders dated March 24, 2017 and the name of our Company was changed to “Rajshree Polypack Limited” to reflect the legal status of our Company pursuant to a fresh certificate of incorporation granted by the Registrar of Companies, Mumbai dated August 3, 2017.

For further details of change of name and registered office of our Company, please refer to the chapter titled “History and Certain Corporate Matters” beginning on page 156 of this Draft Red Herring Prospectus.

### Registered Office of our Company

#### **Rajshree Polypack Limited**

#503-504, 5<sup>th</sup> Floor, Lodha Supremus,

Road No. 22, Kishan Nagar,

Near New Passport Office,

Wagle Estate, Thane (W) – 400604,

Maharashtra, India

**Tel No:** +91-22 25818200

**Fax No:** +91-22 25818250

**Website:** www.rajshreepolypack.com

**E-mail:** rajshreeipo@rajshreepolypack.com

**CIN:** U25209MH2011PLC223089

### Registrar of Companies

Our Company is registered with Registrar of Companies, Mumbai located at:

Registrar of Companies

100, Everest, Marine Drive

Mumbai- 400002

India

### Board of Directors of our Company

Our Board of Directors comprises of the following directors as on the date of filing of this Draft Red Herring Prospectus:

Sr. No.	Name	Designation	DIN	Address
1	Ramswaroop Radheshyam Thard	Chairman & Managing Director	02835505	403/404, Carlye Apartment, Raheja Garden, LBS Marg, Thane (W) - 400604

Sr. No.	Name	Designation	DIN	Address
2	Naresh Radheshyam Thard	Joint-Managing Director	03581790	403/404, Carlye Apartment, Raheja Garden, LBS Marg, Thane (W) - 400604
3	Sajjankumar Nanikram Rungta	Non-Executive Director	02191131	504, A-wing, Westgate, Lodha Luxuria, Eastern Express Highway, Lodha Paradise, Majiwada, Kasarvadavali, Thane, 400601
4	Praveen Bhatia	Nominee Director	00147498	W-12/30, DLF – 3, Gurgaon, Haryana – 122001
5	Alain Edmond Berset	Nominee Director	07181896	Impasse De La Chapelle 3, Farvagny 1726 Switzerland
6	Prabuddha Das Gupta	Independent Director	07838327	No. 101, Royal Manor, 18/2, Kodihalli Hal, 3 <sup>rd</sup> Stage, Bangalore-560008
7	Rajesh Satyanarayan Murarka	Independent Director	01501322	B-603, Rizvi Oak, Sadguru Wamanrao Pai Road, Near Times of India, Malad (East), Mumbai - 400097
8	Meenakshi Ahuja	Independent Director	00829308	N 4/14, DLF Qutab Enclave, Phase-II, Gurgaon – 122002

For further details of our Directors, please refer to chapter titled “*Our Management*” beginning on page 164 of this Draft Red Herring Prospectus.

#### **Company Secretary and Compliance Officer**

Mitali Rajendra Shah  
#503-504, 5<sup>th</sup> Floor, Lodha Supremus,  
Road No. 22, Kishan Nagar,  
Near New Passport Office,  
Wagle Estate, Thane (W) – 400604,  
Maharashtra, India  
**Tel No:** +91 22 25818200  
**Fax No:** +91 22 25818250  
**E-mail:** cosec@rajshreepolypack.com

#### **Chief Financial Officer**

Sunil Sawarmal Sharma  
#503-504, 5<sup>th</sup> Floor, Lodha Supremus,  
Road No. 22, Kishan Nagar,  
Near New Passport Office,  
Wagle Estate, Thane (W) – 400604,  
Maharashtra, India  
**Tel No:** +91 22 25818200  
**Fax No:** +91 22 25818250  
**Email:** sunilsharma@rajshreepolypack.com

**Investors can contact the Registrar to the Issue, Company Secretary and Compliance Officer or the BRLM in case of any pre or post-Issue related problems, such as non-receipt of letters of Allotment,**

**non-credit of allotted shares in the respective beneficiary account, non-receipt of refund orders, non-receipt of funds by electronic mode and unblocking of funds.**

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

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

#### **Book Running Lead Manager to the Issue**

##### **PL Capital Markets Private Limited**

3<sup>rd</sup> Floor, Sadhana House,

570, P.B. Marg, Worli,

Mumbai – 400018

Maharashtra, India

**Tel No:** +91 22 6632 2222

**Fax No:** +91 22 6632 2229

**Contact Person:** Rohan Menon

**Email:** rajshreeipo@plindia.com

**Website:** www.plindia.com

**Investor Grievance Email:** grievance-mbd@plindia.com

**SEBI Registration Number:** INM000011237

#### **Legal Advisor to the Issue**

##### **Crawford Bayley & Co.**

Advocates & Solicitors,

4<sup>th</sup> Floor, Gate No. 4, State Bank Buildings,

N.G.N. Vaidya Marg, Fort,

Mumbai-400023

**Tel No:** +91 22-22663713

**Fax No:** +91 22-22660986

**Contact Person:** Sanjay R. Buch

**Email:** sanjay\_buch@crawfordbayley.com

#### **Statutory and Peer Reviewed Auditors**

##### **S G C O & Co. LLP, Chartered Accountants**

4A, Kaledonia-HDIL, 2<sup>nd</sup> Floor, Sahar road,

Near Andheri station, Andheri (East),

Mumbai - 400069

**Tel No:** +91 22 6625 6363

**Fax No:** +91 22 6625 6364

**Email:** suresh@sgco.co.in

**Contact Person:** Suresh Murarka

**Firm Registration No:** 112081W/W100184

**Peer Reviewed Certificate No.:** 008271



## **Registrar to the Issue**

### **Link Intime India Private Limited**

C-101, 1<sup>st</sup> Floor, 247 Park, L.B.S. Marg,  
Vikhroli (West), Mumbai - 400083

**Tel No:** +91 22 49186200

**Fax No:** +91 22 49186195

**E-mail:** rajshree.ipo@linkintime.co.in

**Website:** www.linkintime.co.in

**Contact Person:** Shanti Gopalkrishnan

**SEBI Registration No:** INR000004058

**Investor Grievance Email:** rajshree.ipo@linkintime.co.in

## **Bankers to our Company**

### **HDFC Bank Limited**

22-25, Ashoka Shopping Centre, L T Road,  
Crawford Market, Mumbai - 400001

**Tel No:** +91 22 22675655

**E-mail:** poojarajnikant.doshi@hdfcbank.com

**Contact Person:** Pooja Doshi

**Website:** www.hdfcbank.com

### **IndusInd Bank Limited**

11<sup>th</sup> Floor, Tower 1 C, One Indiabulls Centre 841,  
Senapati Bapat Marg, Elphinstone Road (W)  
Mumbai - 400013

**Tel No:** +91 22 71432151

**E-mail:** Rajani.bahety@indusind.com

**Contact Person:** Rajani Bahety

**Website:** www.indusind.com

## **Bankers to the Issue and Refund Banker**

### **[Name of the Issue and Refund Banker]**

**[•]**

**Tel No:** [•]

**Fax No:** [•]

**Email:** [•]

**Contact Person:** [•]

**Website:** [•]

## **Self-Certified Syndicate Banks**

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>. Details relating to designated branches of SCSBs collecting the ASBA application forms are available at the above mentioned link.

## **Registered Brokers**

In terms of SEBI circular no. CIR/CFD/14/2012 dated October 4, 2012, Bidders can submit Bid cum Application Forms in the Issue using the stock brokers network of the NSE EMERGE 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 website of NSE. The details of the Broker Centres of the Registered Brokers will be available on the website of SEBI.

## **Registrar and Share Transfer Agents**

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

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 NSE.

## **Collecting Depository Participants**

In terms of SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, Bidders can submit Bid cum Application Forms with CDPs who are registered with SEBI and have furnished their details to NSE for acting in such capacity.

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 NSE.

## **Inter-Se Allocation of Responsibilities**

PL Capital Markets Private Limited being the sole Book Running Lead Manager to this Issue shall be undertaking all activities in relation to this Issue, hence, the statement of inter-se allocation of responsibilities among Book Running Lead Manager is not required.

## **Credit Rating**

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

## **IPO Grading**

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

## **Appraisal and Monitoring Agency**

As per regulation 16(1) of SEBI ICDR Regulations, the requirement of monitoring agency is not mandatory if the Issue size is upto Rs 10,000 Lakhs. Since the Issue size is only of Rs. [●] Lakhs, our Company has not appointed any monitoring agency for this Issue. However, as per section 177 of the Companies Act, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the issue.

## **Expert Opinion**

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

Our Company has received a written consent from our Statutory and Peer Review Auditor, S G C O & Co. LLP, Chartered Accountants, with respect to the report on the Financial Statements dated December 18, 2017 and the Statement of Tax Benefits dated February 2, 2018, to include their name in this Draft Red Herring Prospectus, as required under section 26(1)(a)(v) of the Companies Act read with SEBI ICDR Regulations as “Expert”, defined in section 2(38) of the Companies Act and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

## **Debenture Trustee**

Since this is not a debenture issue, appointment of debenture trustee is not required.

## **Book Building Process**

Book Building, with reference to the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band. The Price Band shall be determined by our Company in consultation with the BRLM and in accordance with the Book Building Process, and advertised in all editions of [●], an English daily newspaper, all editions of [●], a Hindi daily newspaper and Mumbai edition of [●], a Marathi newspaper (Marathi being the local language of Maharashtra, where our Registered Office is situated) each with wide circulation, at least five (5) Working Days prior to the Bid/Issue Opening Date. The Issue Price shall be determined by our Company, in consultation with the BRLM and in accordance with the Book Building Process after the Issue Closing Date. Principal parties involved in the Book Building Process are:-

- Our Company;
- The Book Running Lead Manager in this case being PL Capital Markets Private Limited;
- The Syndicate Member(s) who are intermediaries registered with SEBI / registered as brokers with NSE and eligible to act as Underwriter. The Syndicate Member(s) will be appointed by the BRLM;
- The Registrar to the Issue;
- The Bankers to the Issue;
- SCSBs; and
- The Registered Brokers

SEBI ICDR Regulations have permitted the Issue of securities to the public through the Book Building Process, wherein upto [●]% of the Net Issue shall be allotted on a proportionate basis to QIBs, of which [●]% shall be reserved for Mutual Funds. Further not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price.

Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in the Non-Institutional Portion and Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spillover from other categories or a combination of categories.

Such number of Equity Shares representing [●]% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs, subject to valid Bids being received from them at or above the

Issue Price. In the event that the demand from Mutual Funds is greater than [●] Equity Shares, allocation shall be made to Mutual Funds proportionately, to the extent of the Mutual Fund Portion. The remaining demand by the Mutual Funds shall, as part of the aggregate demand by QIBs, be available for allocation proportionately out of the remainder of the Net QIB Portion, after excluding the allocation in the Mutual Fund Portion. However, in the event of under-subscription in the Mutual Fund Portion, the balance Equity Shares in the Mutual Fund Portion will be added to the Net QIB Portion and allocated to QIBs (including Mutual Funds) on a proportionate basis, subject to valid Bids at or above Issue Price.

All Bidders (excluding Anchor Investors) can participate in the Issue only through the ASBA process. Anchor Investors are not permitted to participate through the ASBA process. In accordance with SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise or withdraw their Bids prior to the Bid/Issue Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/Issue Period. Allocation to the Anchor Investors will be on a discretionary basis.

The process of Book Building under SEBI ICDR Regulations is subject to change from time to time and the investors are advised to make their own judgment about investment through this process prior to making a Bid or application in the Issue. For further details on the method and procedure for Bidding, please refer to section titled “*Issue Procedure*” beginning on page 313 of this Draft Red Herring Prospectus

### **Illustration of Book Building and Price Discovery Process**

(Investors should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes bidding by Anchor Investors). Bidders can bid at any price within the price band. For instance, assume a price band of Rs. 20 to Rs. 24 per equity share, Issue size of 3,000 equity shares and receipt of five (5) bids from bidders, details of which are shown in the table below. A graphical representation of the consolidated demand and price would be made available at the bidding centers during the bidding period. The illustrative book below shows the demand for the equity shares of the issuer company at various prices and is collated from bids received from various investors.

<b>Bid Quantity</b>	<b>Bid Price (Rs.)</b>	<b>Cumulative Bid Quantity</b>	<b>Subscription</b>
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the issuer is able to Issue the desired number of shares is the price at which the book cuts off, i.e., Rs. 22 in the above example. The issuer, in consultation with the Book Running Lead Manager will finalize the Issue Price at or below such cut-off price, i.e., at or below Rs. 22/-. All bids at or above this Issue Price and cut-off bids are valid bids and are considered for allocation in the respective categories.

### **Steps to be taken by the Bidders for Bidding:**

1. Check eligibility for making a Bid (please refer to chapter titled “*Issue Procedure*” beginning on page 313 of this Draft Red Herring Prospectus);

2. Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
3. Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Issue will obtain the Demographic Details of the Bidders from the Depositories;
4. Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depository Participants' verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims;
5. Ensure that the Bid cum Application Form is duly completed as per instructions given in this Draft Red Herring Prospectus and in the Bid cum Application Form;
6. Bids by ASBA Bidders will have to be submitted to the designated branches of the SCSBs or to the Syndicate at the Specified Locations or to the Registered Brokers at the Broker Centres. Ensure that the SCSBs, where the ASBA Account (as specified in the Bid cum Application Form) is maintained has named at least one (1) branch at the Designated Specified Location or the Broker Centre for the members of the Syndicate or the Registered Broker, respectively, to deposit Bid cum Application Forms. A list of such branches is available at the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>;
7. ASBA Bidders should ensure that the ASBA Accounts have adequate credit balance at the time of submission to the SCSB or the Syndicate or the Registered Brokers to ensure that the Bid cum Application Form is not rejected.

## Issue Programme

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

Event	Indicative timeline
Bid/ Issue Opening Date*	[•]
Bid/ Issue Closing Date**	[•]
Finalization of Basis of Allotment with the Designated Stock Exchange	[•]
Initiation of Allotment / Refunds / Unblocking of Funds	[•]
Credit of Equity Shares to demat accounts of Allottees	[•]
Commencement of trading of the Equity Shares on NSE EMERGE	[•]

\* Our Company may, in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period shall be one (1) Working Day prior to the Bid / Issue Opening Date.

\*\* Our Company may, in consultation with the Book Running Lead Manager, consider closing the Bid/Issue Period for QIBs one (1) Working Day prior to the Bid/Issue Closing Date, in accordance with SEBI ICDR Regulations.

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities

for the listing and the commencement of trading of the Equity Shares on the NSE EMERGE are taken within six (6) Working Days of the Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue Period by our Company, or any delays in receiving the final listing and trading approval from NSE EMERGE. The commencement of trading of the Equity Shares will be entirely at the discretion of NSE EMERGE and in accordance with the applicable laws.

Bid cum Application Forms and any revision to the same shall be accepted only between 10.00 a.m. and 5.00 p.m. (IST) during the Issue Period (except for the Bid/Issue Closing Date). On the Bid/Issue Closing Date, the Bid cum Application Forms and any revision to the same shall be accepted between 10.00 a.m. and 3.00 p.m. (IST) or such extended time as permitted by the NSE EMERGE, in case of Bid cum Application Forms by Retail Individual Bidders after taking into account the total number of applications received up to the closure of timings and reported by the Book Running Lead Manager to the NSE EMERGE within half an hour of such closure. It is clarified that the Bid cum Application Forms not uploaded on the electronic system would be rejected. Bid cum Application Forms will be accepted only on Working Days during the Bid/Issue Period.

Due to limitation of time available for uploading the Bid cum Application Forms on the Bid/Issue Closing Date, the Bidders are advised to submit their Bid cum Application Forms one (1) day prior to the Bid/Issue Closing Date and, in any case, no later than 3.00 p.m. (IST) on the Issue Closing Date. All times mentioned in this Draft Red Herring Prospectus are IST. Bidders are cautioned that in the event a large number of Bid cum Application Forms are received on the Bid/Issue Closing Date, as is typically experienced in public offerings, some Bid cum Application Forms may not get uploaded due to lack of sufficient time. Such Bid cum Application Forms that cannot be uploaded will not be considered for allocation under the Issue. Neither our Company nor the Book Running Lead Manager is liable for any failure in uploading the Bid cum Application Forms due to faults in any software/hardware system or otherwise.

In accordance with SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not allowed to withdraw or lower the size of their Bid (in terms of the quantity of the Equity Shares or the application amount) at any stage. Retail Individual Bidders can revise or withdraw their Bid prior to the Bid/Issue Closing Date. Allocation to Retail Individual Bidders in this Issue may be on a proportionate basis. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/Issue Period. Allocation to the Anchor Investors will be on a discretionary basis.

Our Company in consultation with BRLM, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly.

In case of revision of the Price Band, the Bid/Issue Period will be extended for at least three (3) additional Working Days after revision of Price Band subject to the Bid/Issue Period not exceeding ten (10) Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be widely disseminated by notification to NSE EMERGE, by issuing a press release and also by indicating the changes on the website of the Book Running Lead Manager and at the terminals of the Syndicate Member(s).

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or the electronic Bid cum Application Form, for a particular Bidder, the details as per the file received from NSE EMERGE may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid cum Application Form, for a particular ASBA Bidder, the Registrar to the Issue shall ask the relevant SCSB or the member of the Syndicate for rectified data.

## Underwriters

Our Company and the BRLM to the Issue hereby confirm that the Issue is 100% Underwritten.

The underwriting agreement is dated [●] and pursuant to the terms of the underwriting agreement; obligations of the underwriter are subject to certain conditions specified therein. The underwriters have indicated their intention to underwrite the following number of Equity Shares being offered through this Issue.

Name and Address of the Underwriter	Indicative Number of Equity Shares Underwritten*	Amount Underwritten (Rupees in Lakhs)	% of the Net Issue size Underwritten
<b>1. PL Capital Markets Private Limited</b> 3 <sup>rd</sup> Floor, Sadhana House, 570, P.B. Marg, Worli, Mumbai – 400018, Maharashtra, India <b>Tel No:</b> 022 6632 2222 <b>Fax No:</b> 022 6632 2229 <b>Email:</b> rajshreeipo@plindia.com <b>SEBI Registration Number:</b> INM000011237	[●]	[●]	[●]
<b>2. [●]</b> <b>[●]</b> <b>Tel No:</b> [●] <b>Fax No:</b> [●] <b>Contact Person:</b> [●] <b>Email:</b> [●] <b>Website:</b> [●] <b>Investor Grievance Email:</b> [●] <b>SEBI Registration Number:</b> [●]	[●]	[●]	[●]
<b>3. [●]</b> <b>[●]</b> <b>Tel No:</b> [●] <b>Fax No:</b> [●] <b>Contact Person:</b> [●] <b>Email:</b> [●] <b>Website:</b> [●] <b>Investor Grievance Email:</b> [●] <b>SEBI Registration Number:</b> [●]	[●]	[●]	[●]
<b>Total</b>	[●]	[●]	[●]

*\*Includes [●] Equity Shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker on its own account in order to comply with the requirements of Regulation 106V(4) of SEBI ICDR Regulations.*

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

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

## **Withdrawal of the Issue**

Our Company in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Issue at any time after the Bid/Issue Opening Date but before the Board meeting for 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 Book Running Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one (1) day of receipt of such notification. Our Company shall also promptly inform NSE EMERGE on which the Equity Shares were proposed to be listed. Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals from NSE EMERGE, which our Company shall apply for after Allotment. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an IPO, our Company shall be required to file a fresh Draft Red Herring Prospectus.

## **Market Maker**

Our Company, the Book Running Lead Manager have entered into an agreement dated [●] with the following Market Maker, duly registered with NSE EMERGE to fulfill the obligations of market making:-

### **Prabhudas Lilladher Private Limited**

3<sup>rd</sup> Floor, Sadhana House, 570, P. B. Marg,  
Worli, Mumbai - 400 018,  
Maharashtra, India

**Tel:** +91 22 6632 2222

**Fax:** +91 22 6632 2229

**Email:** [●]

**Website:** www.plindia.com

**Contact Person:** [●]

**Investor Grievance:** grievance-br@plindia.com

**SEBI registration no:** INB/F 010502855; INB/F/E 230597738

Prabhudas Lilladher Private Limited is registered with the NSE EMERGE as a Market Maker and has agreed to receive or deliver the Equity Shares in the market making process for a period of three (3) years from the date of listing of our Equity Shares or for a period as may be notified by any amendment to SEBI ICDR Regulations.

The Market Maker shall fulfill the applicable obligations and conditions as specified in SEBI ICDR Regulations, as amended from time to time and the circulars issued by NSE EMERGE 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 NSE EMERGE. Further, the Market Maker(s) shall inform NSE EMERGE in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).



2. The prices quoted by the Market Maker shall be in compliance with the Market Maker spread requirements and other particulars as specified or as per the requirements of NSE EMERGE and SEBI from time to time.
3. The minimum depth of the quote shall be Rs. 1 Lakh. However, the investors with holdings of value less than Rs. 1 Lakh shall be allowed to issue their holding to the Market Maker(s) (individually or jointly) in that scrip provided, that he/she sells their entire holding in that scrip in one (1) lot along with a declaration to the effect to the selling broker. Based on the IPO price of [●] the minimum lot size is [●] Equity Shares, thus, minimum depth of the quote shall be Rs. [●] until the same would be revised by NSE EMERGE.
4. After a period of three (3) months from the market making period, the Market Maker would be exempted to provide a quote if the shares of Market Maker in our Company reaches 25% of Issue Size (including the [●] Equity Shares to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above the 5% Equity Shares would not be taken into consideration of computing the threshold of 25% of the Issue Size. As soon as the Equity Shares of Market Maker in our Company is reduced to 24% of Issue Size, the Market Maker will resume providing 2-way quotes.
5. There shall be no exemption / threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, NSE EMERGE may intimate the same to SEBI after due verification.
6. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
7. There would not be more than five (5) Market Makers for the Company's Equity Shares at any point of time and the Market Maker(s) may compete with other Market Maker(s) for better quotes to the investors. For this Issue, Prabhudas Lilladher Private Limited is the sole Market Maker.
8. The Equity Shares of the Company will be traded in continuous trading sessions from the time and day the Company gets listed on the NSE EMERGE and the Market Maker will remain present as per the guidelines mentioned under NSE EMERGE and SEBI circulars.
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 and/or any other problem. All controllable reasons require prior approval from NSE EMERGE, while force-majeure will be applicable for non-controllable reasons. The decision of the NSE EMERGE for deciding controllable and non-controllable reasons would be final.
10. The Market Maker shall have the right to terminate the said arrangement by giving one (1) month notice or on mutually acceptable terms to the Book Running Lead Manager, who shall then be responsible to appoint a replacement market maker(s).

In case of termination of the above mentioned market making agreement prior to the completion of the compulsory market making period, it shall be the responsibility of the Book Running Lead Manager to arrange for another market maker(s) as 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 SEBI ICDR Regulations. Further, the Company and the Book Running 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 five (5) 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. (IST) on all Working Days.

11. NSE EMERGE 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 EMERGE can impose any other margins as deemed necessary from time-to-time.
12. NSE EMERGE will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and / or non-compliances. Penalties / fines may be imposed by NSE EMERGE 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 NSE EMERGE from time to time. NSE EMERGE will impose a penalty on the Market Makers in case he is not present in the market (offering 2-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 NSE EMERGE 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. Pursuant to SEBI circular no. CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market makers during market making process has been made applicable, based on the issue size and as follows:

<b>Issue size</b>	<b>Buy quote exemption threshold (including mandatory initial inventory of 5% of the Issue Size)</b>	<b>Re-Entry threshold for buy quote (including mandatory initial inventory of 5% of the Issue Size)</b>
Up to Rs. 2,000 Lakhs	25%	24%
Rs. 2,000 Lakhs to Rs. 5,000 Lakhs	20%	19%
Rs. 5,000 Lakhs to Rs. 8,000 Lakhs	15%	14%
Above Rs. 8,000 Lakhs	12%	11%

All the above mentioned conditions and systems regarding the market making arrangement are subject to change based on changes or additional regulations and guidelines from SEBI and NSE EMERGE from time to time.

## CAPITAL STRUCTURE

The share capital of our Company as on the date of this Draft Red Herring Prospectus and after the proposed Issue is set forth below:

*(Amount in Rs. Lakhs, except the share data)*

	Particulars	Aggregate value at face value	Aggregate value at Issue Price
<b>1.</b>	<b>AUTHORIZED SHARE CAPITAL</b>		
	1,25,00,000 Equity Shares of Rs. 10 each	1,250.00	
<b>2.</b>	<b>ISSUED CAPITAL BEFORE THE ISSUE</b>		
	79,76,061 Equity Shares of Rs. 10 each	797.61	
<b>3.</b>	<b>SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE ISSUE</b>		
	79,76,061 Equity Shares of Rs. 10 each	797.61	
<b>4.</b>	<b>PRESENT ISSUE IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS</b>		
	Issue of up to 32,57,939 Equity Shares of face value Rs. 10 at a price of Rs. [●] per Equity Share*	325.79	[●]
	<b>Of Which</b>		
	Market Maker Reservation Portion: Upto [●] Equity Shares of face value of Rs. 10 each fully paid-up for cash at price of Rs. [●] per Equity Share aggregating to Rs [●] Lakhs	[●]	[●]
	Net Issue to the Public: Upto [●] Equity Shares of face value of Rs.10 each fully paid-up for cash at price of Rs. [●] per Equity Share aggregating to Rs [●] Lakhs	[●]	[●]
	<b>Of Which</b>		
	<b>QIB Portion**:</b> QIB Portion being upto [●] % of the Net Issue aggregating upto [●] Equity Shares	[●]	[●]
	<b>Non – Institutional Portion:</b> Non – Institutional Portion of not less than 15 % of the Net Issue aggregating to not less than [●] Equity Shares.	[●]	[●]
	<b>Retail Portion:</b> Retail Portion of not less than 35 % of the Net Issue aggregating to not less than [●] Equity Shares.	[●]	[●]
<b>5.</b>	<b>ISSUED, SUBSCRIBED AND PAID UP CAPITAL AFTER THE ISSUE</b>		
	[●] Equity Shares of face value Rs. 10 at a price of Rs. [●] per Equity Share	[●]	[●]
<b>6.</b>	<b>SECURITIES PREMIUM ACCOUNT</b>		
	Before the Issue	1,327.53	
	After the Issue	[●]	

- \*(1) The Issue has been authorised by the Board of Directors of our Company at its meeting held on November 20, 2017 and approved by the shareholders of our Company at the EGM held on December 18, 2017 pursuant to section 62(1) of the Companies Act.*
- (2) Our Company may consider issuing up to 2,97,939 Equity Shares on a private placement basis for cash aggregating up to Rs. [●] Lakhs, at its discretion in favour of such investors permissible under applicable laws, to be completed prior to filing of the Red Herring Prospectus with the RoC and the details of which, if completed, will be included in the Red Herring Prospectus. If the Pre-IPO Placement is completed, the Equity Shares issued pursuant to the Pre-IPO Placement will be reduced from the Issue, subject to compliance with Rule 19(2)(b) of SCRR. Promoters and members of the Promoter Group may participate in the Pre-IPO Placement. Whether or not the Promoters and members of the Promoter Group participate in the Pre-IPO Placement, they will not participate in the Issue.*
- \*\* Our Company may in consultation with the BRLM consider participation by Anchor Investors.*

#### **Details of increase in authorized share capital of our Company since incorporation**

<b>Date of Shareholder's Resolution</b>	<b>Details of Change</b>
On Incorporation	Initially the authorised share capital of our Company was Rs. 350 Lakhs divided into 35,00,000 Equity Shares of Rs. 10 each.
November 14, 2016	The authorised share capital of our Company increased from Rs. 350 Lakhs divided into 35,00,000 Equity Shares of Rs. 10 each to Rs. 1,000 Lakhs divided into 1,00,00,000 Equity Shares of Rs. 10 each.
December 18, 2017	The authorised share capital of our Company increased from Rs. 1,000 Lakhs divided into 1,00,00,000 Equity Shares of Rs. 10 each to Rs. 1,250 Lakhs divided into 1,25,00,000 Equity Shares of Rs. 10 each.

*Note: For details of re-classification of the authorised share capital of our Company, please refer to chapter titled "History and Certain Corporate Matters" beginning on page 156 of this Draft Red Herring Prospectus.*

#### **NOTES TO THE CAPITAL STRUCTURE**

##### **1. Share Capital history of our Company**

- a. The history of the equity share capital of our Company is detailed in the following table:**

Date of Allotment	No. of Equity Shares	Face Value (In Rs.)	Issue Price (In Rs.)	Consideration (Rs. In Lakhs)	Nature of Consideration	Reason / Nature of Allotment	Cumulative No. of Equity Shares
October 21, 2011	10,000	10	10.00	1.00	Cash	Subscription to MoA*	10,000
January 18, 2012	9,56,000	10	25.00	239.00 <sup>1</sup>	Cash	Preferential allotment	9,66,000
January 28, 2012	4,07,379	10	27.04	110.16 <sup>2</sup>	Cash	Preferential allotment	13,73,379
February 25, 2012	2,00,000	10	50.00	100.00 <sup>3</sup>	Cash	Preferential allotment	15,73,379
March 1, 2012	3,15,693	10	167.55	528.94 <sup>4</sup>	Cash	Preferential allotment	18,89,072
September 29, 2012	27,587	10	145.00	40.00 <sup>5</sup>	Conversion	Conversion of 27,587 0% CCPS	19,16,659
September 29, 2012	7,42,028	10	161.72	1,200.00 <sup>6</sup>	Conversion	Conversion of 7,27,273 0% CCPS	26,58,687
November 22, 2016	53,17,374	10	NA	NA	Other than cash	Bonus issue (2:1)	79,76,061

*\*The subscribers to the MoA were Ramswaroop Radheyshyam Thard (3,500 Equity Shares), Sajjan N. Rungta HUF (3,000 Equity Shares), Naresh Radheshyam Thard (2,867 Equity Shares), Radheyshyam Thard (100 Equity Shares), Shashi Thard (100 Equity Shares), Varsha Thard (100 Equity Shares), Anand Rungta (333 Equity Shares).*

<sup>1</sup> As per Board resolution dated January 18, 2012 Company issued 9,56,000 Equity Shares of face value of Rs. 10 each at a premium of Rs. 15 each, issue price being Rs.25 each. The said Equity Shares were allotted to Ramswaroop Radheyshyam Thard (3,34,600 Equity Shares), Sajjan N. Rungta HUF (2,86,800 Equity Shares), Naresh Radheshyam Thard (2,74,085 Equity Shares), Radheyshyam Thard (9,560 Equity Shares), Shashi Thard (9,560 Equity Shares), Varsha Thard (9,560 Equity Shares), Anand Rungta (31,835 Equity Shares).

<sup>2</sup> As per Board resolution dated January 28, 2012, Company issued 4,07,379 Equity Shares of face value of Rs. 10 each at a premium of Rs. 17.04 each, issue price being Rs.27.04 each. The said Equity Shares were allotted to Ramswaroop Radheyshyam Thard (2,13,864 Equity Shares), Naresh Radheshyam Thard (1,75,185 Equity Shares), Radheyshyam Thard (6,110 Equity Shares), Shashi Thard (6,110 Equity Shares), Varsha Thard (6,110 Equity Shares).

<sup>3</sup> As per Board resolution dated February 25, 2012, Company issued 2,00,000 Equity Shares (partly paid) of face value of Rs. 10 each at a premium of Rs. 40 each, issue price being Rs.50 each and the aforesaid equity shares were issued for the part-payment of Rs. 5 (including Re. 1 per share against face value and premium of Rs. 4) each. Subsequently, the said partly paid shares were fully paid up on March 30, 2016. The said Equity Shares were allotted to Ramswaroop Radheyshyam Thard (70,000 Equity Shares), Sajjan N. Rungta HUF (60,000 Equity Shares), Naresh Radheshyam Thard (58,000 Equity Shares), Radheyshyam Thard (2,000 Equity Shares), Shashi Thard (2,000 Equity Shares), Varsha Thard (2,000 Equity Shares), Anand Rungta (6,000 Equity Shares).

<sup>4</sup> As per Board resolution dated March 1, 2012 Company issued 3,15,693 Equity Shares of face value of Rs. 10 each at a premium of Rs. 157.55 each, issue price being Rs.167.55 each. The said Equity Shares were allotted to Ramswaroop Radheshyam Thard (39,184 Equity Shares), Sajjan N. Rungta HUF (2,16,968 Equity Shares), Naresh Radheshyam Thard (32,097 Equity Shares), Radheshyam Thard (1,120 Equity Shares), Shashi Thard (1,120 Equity Shares), Varsha Thard (1,120 Equity Shares), Anand Rungta (24,084 Equity Shares).

<sup>5</sup> Company has converted 27,587 0% CCPS (which were previously issued at a price of Rs. 145 per CCPS) into 27,587 Equity Shares of face value of Rs. 10 each pursuant to the AGM held on September 29, 2012. The said Equity Shares were allotted to Ramswaroop Radheshyam Thard (9,655 Equity Shares), Sajjan N. Rungta HUF (8,267 Equity Shares), Naresh Radheshyam Thard (7,909 Equity Shares), Radheshyam Thard (276 Equity Shares), Shashi Thard (276 Equity Shares), Varsha Thard (276 Equity Shares), Anand Rungta (919 Equity Shares).

<sup>6</sup> Company has converted 7,27,273 0% CCPS (which were previously issued at a price of Rs. 165 per CCPS) into 7,42,028 Equity Shares of face value of Rs. 10 each pursuant to the AGM held on September 29, 2012. The said Equity Shares were allotted to Wifag Polytype Holding AG.

**b. Issue of Equity Shares allotted for consideration other than cash:**

Our Company has not issued any Equity Shares out of revaluation of reserves.

Except as set out below, our Company has not issued Equity Shares for consideration other than cash. Further, no benefits have accrued to our Company on account of allotment of Equity Shares for consideration other than cash:

Date of allotment	No. of Equity Shares	Face Value (In Rs.)	Issue Price (In Rs.)	Reason / Nature of allotment	Benefit accrued to our Company	Cumulative Number of Equity Shares	Persons to whom allotment were made
November 22, 2016	53,17,374	10	Consideration other than cash	Bonus issue (2:1)	Nil	79,76,061	Ramswaroop Radheshyam Thard, Naresh Radheshyam Thard, Radheshyam Jugalkishor Thard, Varsha Naresh Radheshyam Thard, Shashi Ramswaroop Thard, Anand Sajjankumar Rungta, Sajjan N. Rungta HUF and Wifag

							Polytype Holding AG.
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- c. Till date no Equity Shares have been allotted by our Company pursuant to any scheme approved under sections 391-394 of Companies Act, 1956 or sections 230-232 of Companies Act.

## 2. History of the Equity Share capital held by our Promoters

As on the date of this Draft Red Herring Prospectus, our Promoters hold 54,45,468 Equity Shares, equivalent to 68.27% of the issued, subscribed and paid-up Equity Share capital of our Company.

### a. Details of the build-up of shareholding of the Promoters in our Company:

Ramswaroop Radheshyam Thard							
Date of allotment / Transfer	No. of Equity Shares	Nature of Consideration	Face Value (In Rs.)	Issue Price / Average Acquisition Price per Equity Share (In Rs.)	Reason / Nature of Allotment	Percentage of the pre-issue capital (in %)	Percentage of the post-issued capital (in %)
October 21, 2011	3,500	Cash	10	10.00	Subscription to MoA	0.04	[●]
January 18, 2012	3,34,600	Cash	10	25.00	Preferential allotment	4.19	[●]
January 28, 2012	2,13,864	Cash	10	27.04	Preferential allotment	2.68	[●]
February 25, 2012	70,000	Cash	10	50.00 <sup>1</sup>	Preferential allotment	0.88	[●]
March 1, 2012	39,184	Cash	10	167.55	Preferential allotment	0.50	[●]
September 29, 2012	9,655	Cash	10	145.00 <sup>2</sup>	Conversion of 0% compulsory convertible preference shares	0.12	[●]
November 22, 2016	13,41,606	Other than cash	10 <sup>3</sup>	NA	Bonus issue	16.82	[●]
March 27, 2017	28,749	Other than cash <sup>4</sup>	10	NA	Transmission of shares	0.36	[●]
<b>Total</b>	<b>20,41,158</b>					<b>25.59</b>	<b>[●]</b>

<sup>1</sup> Issued as partly paid shares of face value of Rs. 10 each at a premium of Rs. 40 each, issue price being Rs.50 each and the aforesaid equity shares were issued for the part-payment of Rs. 5 (including Rs. 1 per share against face value and premium of Rs. 4) each. The Shares were fully paid up as per board resolution dated March 30, 2016.

<sup>2</sup> Company has converted 0% Compulsory Convertible Preference Shares into Equity Shares of face value of Rs. 10 each pursuant to the AGM held on September 29, 2012.

<sup>3</sup> Bonus Issue in the ratio 2:1.

<sup>4</sup> Transmission of shares held by Radheshyam Jugalkishor Thard

All the Equity Shares held by Ramswaroop Radheshyam Thard were fully paid-up on the respective dates of acquisition of such Equity Shares, except the partly paid up shares which were allotted to him on February 25, 2012 that became fully paid up on March 30, 2016.

Except as disclosed in this Draft Red Herring Prospectus, Ramswaroop Radheshyam Thard has not undertaken any sale of Equity Shares.

<b>Naresh Radheshyam Thard</b>							
<b>Date of allotment / Transfer</b>	<b>No. of Equity Shares</b>	<b>Nature of Consideration</b>	<b>Face Value (In Rs.)</b>	<b>Issue Price / Average Acquisition Price per Equity Share (In Rs.)</b>	<b>Reason / Nature of Allotment</b>	<b>Percentage of the pre-issue capital (in %)</b>	<b>Percentage of the post-issued capital (in %)</b>
October 21, 2011	2,867	Cash	10	10.00	Subscription to MoA	0.04	[●]
January 18, 2012	2,74,085	Cash	10	25.00	Preferential allotment	3.44	[●]
January 28, 2012	1,75,185	Cash	10	27.04	Preferential allotment	2.20	[●]
February 25, 2012	58,000	Cash	10	50.00 <sup>1</sup>	Preferential allotment	0.73	[●]
March 1, 2012	32,097	Cash	10	167.55	Preferential allotment	0.40	[●]
September 29, 2012	7,909	Cash	10	145.00 <sup>2</sup>	Conversion of 0% compulsory convertible preference shares	0.09	[●]
November 22, 2016	11,00,286	Other than cash	10 <sup>3</sup>	NA	Bonus issue	13.79	[●]
March 27, 2017	28,749	Other than cash <sup>4</sup>	10	NA	Transmission of shares	0.36	[●]
<b>Total</b>	<b>16,79,178</b>					21.05	[●]

<sup>1</sup> Issued as partly paid shares of face value of Rs. 10 each at a premium of Rs. 40 each, issue price being Rs.50 each and the aforesaid equity shares were issued for the part-payment of Rs. 5 (including Rs. 1 per share against face value and premium of Rs. 4) each. The Shares were fully paid up as per board resolution dated March 30, 2016.

<sup>2</sup> Company has converted 0% Compulsory Convertible Preference Shares into Equity Shares of face value of Rs. 10 each pursuant to the AGM held on September 29, 2012.

<sup>3</sup> Bonus Issue in the ratio 2:1.



<sup>4</sup> *Transmission of shares held by Radheshyam Jugalkishor Thard*

All the Equity Shares held by Naresh Radheshyam Thard were fully paid-up on the respective dates of acquisition of such Equity Shares, except the partly paid up shares which were allotted to him on February 25, 2012 that became fully paid up on March 30, 2016.

Except as disclosed in this Draft Red Herring Prospectus, Naresh Radheshyam Thard has not undertaken any sale of Equity Shares.

<b>Sajjan N. Rungta HUF</b>							
<b>Date of allotment / Transfer</b>	<b>No. of Equity Shares</b>	<b>Nature of Consideration</b>	<b>Face Value (In Rs.)</b>	<b>Issue Price / Average Acquisition Price per Equity Share (In Rs.)</b>	<b>Reason / Nature of Allotment</b>	<b>Percentage of the pre-issue capital (in %)</b>	<b>Percentage of the post-issued capital (in %)</b>
October 21, 2011	3,000	Cash	10	10.00	Subscription to MoA	0.04	[●]
January 18, 2012	2,86,800	Cash	10	25.00	Preferential allotment	3.60	[●]
February 25, 2012	60,000	Cash	10	50.00 <sup>1</sup>	Preferential allotment	0.75	[●]
March 1, 2012	2,16,968	Cash	10	167.55	Preferential allotment	2.72	[●]
September 29, 2012	8,276	Cash	10	145.00 <sup>2</sup>	Conversion of 0% compulsory convertible preference shares	0.10	[●]
November 22, 2016	11,50,088	Other than cash	10	NA <sup>3</sup>	Bonus issue	14.42	[●]
<b>Total</b>	<b>17,25,132</b>					<b>21.63</b>	<b>[●]</b>

<sup>1</sup> Issued as partly paid shares of face value of Rs. 10 each at a premium of Rs. 40 each, issue price being Rs.50 each and the aforesaid equity shares were issued for the part-payment of Rs. 5 (including Rs. 1 per share against face value and premium of Rs. 4) each. The Shares were fully paid up as per board resolution dated March 30, 2016.

<sup>2</sup> Company has converted 0% Compulsory Convertible Preference Shares into Equity Shares of face value of Rs. 10 each pursuant to the AGM held on September 29, 2012.

<sup>3</sup> Bonus Issue in the ratio 2:1.

All the Equity Shares held by Sajjan N. Rungta HUF were fully paid-up on the respective dates of acquisition of such Equity Shares, except the partly paid up shares which were allotted to it on February 25, 2012 that became fully paid up on March 30, 2016.

Except as disclosed in this Draft Red Herring Prospectus, Sajjan N Rungta HUF has not undertaken any sale of Equity Shares.

**b. Details of Promoters' contribution locked in for three (3) years:**

Pursuant to the Regulations 32 and 36 of SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Issue Equity Share capital of our Company held by our Promoters, shall be locked-in for a period of three (3) years from the date of Allotment and our Promoters' shareholding in excess of 20% shall be locked-in for a period of one (1) year from the date of Allotment ("**Promoters' Contribution**").

The Equity Shares which are being locked in for three (3) years from the date of Allotment are as follows:

Promoters	No. of Equity Shares Locked in	Face Value	Issue Price	Date of Allotment/Acquisition and when made fully paid-up	Nature of Allotment/Transfer	Consideration (Cash/Other than cash)	Percentage of post-Issue paid-up capital
<b>Ramswaroop Radheshyam Thard</b>	[●]	[●]	[●]	[●]	[●]	[●]	[●]
<b>Naresh Radheshyam Thard</b>	[●]	[●]	[●]	[●]	[●]	[●]	[●]
<b>Sajjan N. Rungta HUF</b>	[●]	[●]	[●]	[●]	[●]	[●]	[●]

The Equity Shares that are being locked-in are eligible for computation of Promoters' Contribution under Regulation 33 of SEBI ICDR Regulations. In this connection, as per Regulation 33 of SEBI ICDR Regulations, our Company confirms that the Equity Shares locked-in do not consist of:

- Equity Shares acquired during the preceding three (3) years for consideration other than cash and revaluation of assets or capitalization of intangible assets or bonus shares out of revaluations reserves or unrealised profits or bonus shares of shares which are otherwise ineligible for computation of Promoters' Contribution;
- Equity Shares acquired during the preceding one (1) year, at a price lower than the price at which the Equity Shares are being offered to the public in the Issue;
- Equity Shares issued to the Promoters upon conversion of a partnership firm;
- Equity Shares held by the Promoters that are subject to any pledge; and
- Equity Shares for which specific written consent has not been obtained from the respective shareholders for inclusion of their subscription in the Promoters' Contribution subject to lock-in.

The minimum Promoters' Contribution shall be brought in to the extent of, not less than the specified minimum lot and from the persons defined as "Promoters" under SEBI ICDR Regulations.

**c. Details of share capital locked in for one (1) year**

Other than the above mentioned Equity Shares that would be locked-in for three (3) years, the entire pre-Issue capital of our Company would be locked-in for a period of one (1) year from the date of Allotment in the Issue pursuant to Regulation 36(b) and Regulation 37 of SEBI ICDR Regulations.

**d. Other requirements in respect of lock-in**

Pursuant to Regulation 39 of SEBI ICDR Regulations, the locked-in Equity Shares held by the Promoters, as specified above, can be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such scheduled commercial banks or public financial institution, provided that the pledge of the Equity Shares is one of the terms of the sanction of the loan.

Provided that securities locked-in as Promoters' Contribution for three (3) years under Regulation 36(a) of SEBI ICDR Regulations may be pledged only if, in addition to fulfilling the above requirement, the loan has been granted by such scheduled commercial bank or public financial institution for the purpose of financing one or more of the objects of the Issue.

Pursuant to Regulation 40 of SEBI ICDR Regulations, Equity Shares held by the Promoters may be transferred to and amongst the Promoters, the Promoter Group or to new promoters or persons in control of our Company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI Takeover Regulations.

Further, pursuant to Regulation 40 of SEBI ICDR Regulations, the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other person holding the Equity Shares which are locked-in as per Regulation 37 of SEBI ICDR Regulations, along with the Equity Shares proposed to be transferred, provided that lock-in on such Equity Shares will continue for the remaining period with the transferee and such transferee shall not be eligible to transfer such Equity Shares till the lock-in period stipulated under SEBI ICDR Regulations has ended, subject to compliance with SEBI Takeover Regulations, as applicable.

3. The Promoter, Promoter Group, Directors of our Company and their relatives have not undertaken any transactions of Equity Shares of our Company, during a period of six (6) months preceding the date on which this Draft Red Herring Prospectus is filed with NSE EMERGE.
4. No Equity shares have been issued by our Company at a price which may be lower than the Issue Price during the preceding one (1) year from the date of filing this Draft Red Herring Prospectus with SEBI.

5. **Shareholding Pattern of our Company and the Equity shares held by them is as follows:**

The table below represents the Shareholding Pattern of our Company as on January 31, 2018

**A. Summary statement holdings of specified securities**

Category Code and Category of shareholder	No. of shareholders	No. of fully paid up equity shares held	No. of partly paid-up equity shares held	Total no. of shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C1+C2+C)	Number of Voting Rights held in each class of securities		No. of Shares underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % of assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		No. of Equity Shares held in dematerialized form	
						No. of Voting Rights		Total as a % of (A+B+C)			No.	As a % of total shares held	No.	As a % of total Shares held	
						Class	Total								
(A) Promoter & Promoter Group	6	57,49,977	--	57,49,977	72.09	57,49,977	57,49,977	72.09	--	--	--	--	--	--	57,49,977
(B) Public	1	22,26,084	--	22,26,084	27.91	22,26,084	22,26,084	27.91	--	--	--	--	--	--	22,26,084
(C1) Shares underlying DRs	--	--	--	--	0.00	--	--	0.00	--	--	--	--	--	--	--
(C2) Shares held by Employee Trust	--	--	--	--	0.00	--	--	0.00	--	--	--	--	--	--	--
(C) Non – Promoter Non Public	--	--	--	--	0.00	--		0.00	--	--	--	--	--	--	--
Total	7	79,76,061	--	79,76,061	100.00	79,76,061		100.00	--	--	--	--	--	--	79,76,061

**B. Statement showing shareholding pattern of the Promoter and Promoter Group as on the date of this Draft Red Herring Prospectus**

Category of shareholder (I)	PAN	No. of shareho lders (II)	No. of fully paid up equity shares held (III)	No. of partly paid-up equity shares held (IV)	Total no. of shares held (V = III+IV)	Shareholdin g as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C) (VI)	Number of Voting Rights held in each class of securities		No. of Shares underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % of assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		No. of Equity Shares held in demateriali zed form (VII)
							No. of Voting Rights	Tota l as a % of (A+ B+C )			No.	As a % of total shares held	No.	As a % of total Shares held	
							Class	Total							
(A1) Indian															
Individuals / Hindu Undivided Family															
Ramswaroop Radheshyam Thard	AABPT3712D	1	20,41,158	--	20,41,158	25.59	20,41,158	20,41,158	25.59	--	--	--	--	--	20,41,158
Naresh Radheshyam Thard	ACZPT9612L	1	16,79,178	--	16,79,178	21.05	16,79,178	16,79,178	21.05	--	--	--	--	--	16,79,178
Varsha Naresh Thard	AAQPT0042G	1	57,498	--	57,498	0.72	57,498	57,498	0.72	--	--	--	--	--	57,498
Shashi Ramswaroop Thard	ACMPT2026K	1	57,498	--	57,498	0.72	57,498	57,498	0.72	--	--	--	--	--	57,498

Category of shareholder (I)	PAN	No. of shareholders (II)	No. of fully paid up equity shares held (III)	No. of partly paid-up equity shares held (IV)	Total no. of shares held (V = III+IV)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C) (VI)	Number of Voting Rights held in each class of securities			No. of Shares underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % of assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		No. of Equity Shares held in dematerialized form (VII)
							No. of Voting Rights		Total as a % of (A+B+C)			No.	As a % of total shares held	No.	As a % of total Shares held	
							Class	Total								
Anand Sajjankumar Rungta	AAQPR6240R	1	1,89,513	--	1,89,513	2.38	1,89,513	1,89,513	2.38	--	--	--	--	--	--	1,89,513
Sajjan N. Rungta HUF	AANHS0234B	1	17,25,132	--	17,25,132	21.63	17,25,132	17,25,132	21.63	--	--	--	--	--	--	17,25,132
<b>Sub – Total (A1)</b>		<b>6</b>	<b>57,49,977</b>		<b>57,49,977</b>	<b>72.09</b>	<b>57,49,977</b>	<b>57,49,977</b>	<b>72.09</b>	--	--	--	--	--	--	<b>57,49,977</b>
(A2) Foreign		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
<b>Total = A1 + A2</b>		<b>6</b>	<b>57,49,977</b>		<b>57,49,977</b>	<b>72.09</b>	<b>57,49,977</b>	<b>57,49,977</b>	<b>72.09</b>	--	--	--	--	--	--	<b>57,49,977</b>

C. Statement showing shareholding pattern of the Public shareholder as on the date of this Draft Red Herring Prospectus

Category of shareholder (I)	PAN	No. of shareholders (II)	No. of fully paid up equity shares held (III)	No. of partly paid-up equity shares held (IV)	Total no. of shares held (V = III+IV)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C) (VI)	Number of Voting Rights held in each class of securities		No. of Shares underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % of assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		No. of Equity Shares held in dematerialized form (VII)	
							No. of Voting Rights		Total as a % of (A+B+C)			N o.	As a % of total shares held	No.	As a % of total Shares held	
							Equity Shares	Total								
Wifag Polytype Holding AG	AACCW0383P	1	22,26,084	--	22,26,084	27.91	22,26,084	22,26,084	27.91	--	--	--	--	--	--	22,26,084
Total		1	22,26,084	--	22,26,084	27.91	22,26,084	22,26,084	27.91	--	--	--	--	--	--	22,26,084

D. Statement showing shareholding pattern of the Non Promoter – Non Public shareholder as on the date of this Draft Red Herring Prospectus

Category of shareholder (I)	PAN	No. of shareholders (II)	No. of fully paid up equity shares held (III)	No. of partly paid-up equity shares held (IV)	Total no. of shares held (V = III+IV)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C) (VI)	Number of Voting Rights held in each class of securities			No. of Shares underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % of assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		No. of Equity Shares held in dematerialized form (VII)	
							No. of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total shares held	No.	As a % of total Shares held	
							Classes	Class	Total								
C) Non Promoter - Non Public																	
C1) Shares underlying DRs	0	0	--	--	0.00	--	--	--	--	--	--	--	--	--	--	--	--
C2) Shares held by Employee Trust	0	0	--	--	0.00	--	--	--	--	--	--	--	--	--	--	--	--
Sub-Total (C=C1+C2)	0	0	--	--	0.00	--	--	--	--	--	--	--	--	--	--	--	--



## 5 Shareholding of our Promoters and Promoter group pre and post Issue:

Provided below are details of Equity Shares held by our Promoters and Promoter Group as of the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Pre – Issue		Post – Issue	
		No. of shares	% of pre-Issue capital	No. of shares	% of post-Issue capital
	<b>PROMOTER AND PROMOTER GROUP</b>				
1.	Ramswaroop Radheshyam Thard	20,41,158	25.59	[●]	[●]
2.	Naresh Radheshyam Thard	16,79,178	21.05	[●]	[●]
3.	Varsha Naresh Thard	57,498	0.72	[●]	[●]
4.	Shashi Ramswaroop Thard	57,498	0.72	[●]	[●]
5.	Anand Sajjankumar Rungta	1,89,513	2.38	[●]	[●]
6.	Sajjan N. Rungta (HUF)	17,25,132	21.63	[●]	[●]
	<b>Total</b>	<b>57,49,977</b>	<b>72.09</b>	[●]	[●]

Other than the following, none of our Key Management Personnel hold Equity Shares in our Company as on the date of filing of this Draft Red Herring Prospectus: -

Sr. No.	Name of the Key Managerial Personnel	No. of Equity Shares (Face Value of Rs. 10 each)	Percentage of pre-Issue share capital (%)
1.	Ramswaroop Radheshyam Thard	20,41,158	25.59
2.	Naresh Radheshyam Thard	16,79,178	21.05

## 6 The list of top ten (10) shareholders of our Company and the number of Equity Shares held by them is as under:

### a. Particulars of the top ten (10) shareholders as on the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	No. of Equity Shares	Percentage of the pre-Issue capital (in %)	Percentage of the post-Issue capital (in %)
1.	Wifag Polytype Holding AG	22,26,084	27.91	[●]
2.	Ramswaroop Radheshyam Thard	20,41,158	25.59	[●]
3.	Sajjan N. Rungta (HUF)	17,25,132	21.63	[●]
4.	Naresh Radheshyam Thard	16,79,178	21.05	[●]
5.	Anand Sajjankumar Rungta	1,89,513	2.38	[●]
6.	Varsha Naresh Thard	57,498	0.72	[●]
7.	Shashi Ramswaroop Thard	57,498	0.72	[●]
	<b>Total</b>	<b>79,76,061</b>	<b>100.00</b>	[●]

**b. Particulars of top ten (10) shareholders ten (10) days prior to the date of filing this Draft Red Herring Prospectus:**

Sr. No.	Name of the Shareholder	No. of Equity Shares	Percentage of the pre-Issue capital (in %)	Percentage of the post-Issue capital (in %)
1.	Wifag Polytype Holding AG	22,26,084	27.91	[●]
2.	Ramswaroop Radheshyam Thard	20,41,158	25.59	[●]
3.	Sajjan N. Rungta (HUF)	17,25,132	21.63	[●]
4.	Naresh Radheshyam Thard	16,79,178	21.05	[●]
5.	Anand Sajjankumar Rungta	1,89,513	2.38	[●]
6.	Varsha Naresh Thard	57,498	0.72	[●]
7.	Shashi Ramswaroop Thard	57,498	0.72	[●]
	<b>Total</b>	<b>79,76,061</b>	<b>100.00</b>	[●]

**c. Particulars of the top ten (10) shareholders two (2) years prior to the date of filing this Draft Red Herring Prospectus:**

Sr. No.	Name of the Shareholder	No. of Equity Shares	Percentage of the pre-issue capital (in %)
1	Wifag Polytype Holding AG	7,42,028	27.91
2	Ramswaroop Radheshyam Thard	6,70,803	25.23
3	Sajjan N. Rungta (HUF)	5,75,044	21.63
4	Naresh Radheshyam Thard	5,50,143	20.69
5	Anand Sajjankumar Rungta	63,171	2.38
6	Radheshyam Jugalkishor Thard	19,166	0.72
7	Varsha Naresh Thard	19,166	0.72
8	Shashi Ramswaroop Thard	19,166	0.72
	<b>Total</b>	<b>26,58,687</b>	<b>100.00</b>

7 The name of public shareholder holding more than 1% of pre-Issue capital, number of equity shares held and percentage of the total pre and post Issue capital as on the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	No. of Equity Shares	Percentage of the pre-Issue capital (in %)	Percentage of the post-Issue capital (in %)
1.	Wifag Polytype Holding AG	22,26,084	27.91	[●]

8 Our Company, our Directors and the Book Running Lead Manager have not entered into any buy-back arrangement and / or safety net facility for purchase of Equity Shares from any person.

9 As on date of this Draft Red Herring Prospectus our Company has seven (7) shareholders.

- 10 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 our Company other than in the normal course of the business of the financing entity during the period of six (6) months immediately preceding the date of this Draft Red Herring Prospectus.
- 11 None of the Equity Shares of our Company have been pledged by the Promoters or the Promoter Group.
- 12 Our Company has not issued any bonus shares out of revaluation of reserves.
- 13 As on the date of this Draft Red Herring Prospectus, the Book Running Lead Manager does not hold any Equity Shares in our Company.
- 14 Our Company shall ensure that transactions in the Equity Shares by the Promoters and the immediate relatives of the Promoters between the date of filing the Prospectus with the Registrar of Companies and the Issue Closing Date are reported to the NSE EMERGE within twenty four (24) hours of such transaction.
- 15 Our Company has not made any public issue since its incorporation.
- 16 Our Company does not have any intention or proposal to alter our capital structure within a period of six (6) months from the Bid/Issue Opening Date by way of split/consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) whether preferential or bonus, rights, further public issue or qualified institutions placement or otherwise. However, our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the Bid/Issue Opening Date to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.
- 17 Our Company has not raised any bridge loan against the proceeds of the Issue.
- 18 The Issue is being made through the Book Building Process wherein upto [●]% of the Net Issue shall be available for allocation to QIBs on a proportionate basis. For details, please refer to chapter titled “*Issue Procedure*” beginning on page 313 of this Draft Red Herring Prospectus. Further, [●]% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. Further, not less than 15% of the Net Offer will be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue will be available for allocation to Retail Individual Bidders, subject to valid Bids being received from them at or above the Issue Price.
- 19 Under subscription, if any, in any category, shall be allowed to be met with spill over from the other categories (except QIB portion) at the sole discretion of our Company and in consultation with the Book Running Lead Manager and NSE EMERGE and in accordance with applicable laws, rules, regulations and guidelines.
- 20 An over-subscription to the extent of 10% of the Issue to the public can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum Allotment being equal to [●] Equity Shares.

- 21 The Equity Shares are fully paid up and there are no partly paid up Equity Shares as on the date of filing this Draft Red Herring Prospectus. Further, since the entire money in respect of the Issue is being called on application, all the successful Applicants will be issued fully paid-up equity shares.

Except for Pre-IPO Placement, there would be no further issue of capital whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from filing of this Draft Red Herring Prospectus with NSE EMERGE until the Equity Shares are listed on the NSE EMERGE or application moneys refunded on account of failure of Issue. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Issue, subject to compliance with Rule 19(2)(b) of SCRR. Promoters and members of the Promoter Group may participate in the Issue. Whether or not the Promoters and members of the Promoter Group participate in the Pre-IPO Placement, they will not participate in the Issue.

- 22 As per the extant FDI policy, OCBs are not permitted to participate in the Issue.
- 23 There are no outstanding warrants, options or right to convert debentures, loans or other financial instruments into our Equity Shares as on the date of this Draft Red Herring Prospectus.
- 24 There shall be only one (1) denomination of Equity Shares of our Company unless otherwise permitted by law. Our Company shall comply with disclosure and accounting norms as may be prescribed by SEBI from time to time.

## SECTION IV - PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

The Issue is a fresh issue of upto 32,57,939 Equity Shares by our Company, aggregating upto Rs. [●] Lakhs. Out of the Issue, our Company may consider issuing upto 2,97,939 Equity Shares on private placement basis as Pre-IPO Placement before the date of the Red Herring Prospectus. If the Pre-IPO Placement is completed, the number of shares allotted pursuant to such Pre-IPO Placement will be reduced from the Issue and the proceeds received from such Pre-IPO placement will be utilised toward the objects of the Issue as stated in this chapter. The details of the Pre-IPO Placement, if any, will be updated in the Red Herring Prospectus.

#### Proceeds from the Issue

The funds which are being raised through the Issue, after deducting the Issue related expenses (“Net Proceeds”), are estimated to be approximately upto Rs. [●] Lakhs, the details of which are as follows:

(Rs. in Lakhs)	
Particulars	Amount
Gross Proceeds from the Issue	Upto [●]
Gross Proceeds from the Pre-IPO Placement <sup>^</sup>	[●]
(Less) Issue related expenses*	[●]
Net Proceeds of the Issue*	[●]

<sup>^</sup> The details of Pre-IPO Placement, if any, will be updated in the Red Herring Prospectus.

\* To be finalised upon determination of the Issue Price.

Our Company intends to utilize the Net Proceeds for the following objects (“**Objects of the Issue**”):

		(Rs. in Lakhs)
Sr. No.	Particulars	Amount
1.	Setting up of Factory Unit IV at Daman;	3,644.30
2.	General corporate purposes*	[●]

\*to be finalized upon determination of Issue Price, and shall not exceed 25% of the gross proceeds of the Issue

In addition to the aforementioned objects, our Company expects to receive the benefits of listing of its Equity Shares on the NSE EMERGE, including, amongst other things, enhancing the visibility of our brand.

The main objects clause of the Memorandum of Association enables our Company to undertake the activities for which the funds are being raised pursuant to the Issue. The existing activities of our Company are within the ambit of the main objects clause and the objects incidental or ancillary to the main objects of the Memorandum of Association.

#### Schedule of Deployment

We propose to deploy the Net Proceeds for the aforesaid purposes in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below:

(Rs. in Lakhs)

Sr. No.	Particulars	Total estimated amount	Amount deployed till March 23, 2018	Estimated Utilisation	Net Proceed
				Fiscal 2019	Fiscal 2020
1.	Setting up of Factory Unit IV at Daman <sup>^</sup> ;	3,644.30	114.11	2,959.15	571.04
2.	General Corporate purposes*	[●]	—	[●]	[●]
	<b>Total</b>	[●]		[●]	[●]

<sup>^</sup> The facility is expected to be commissioned for manufacturing in October 2019.

\* The amount utilized for general corporate purposes shall not exceed 25% of the gross proceeds of the Issue.

## Means of Finance

Our Company shall utilise the entire Net Issue Proceeds for the objects stated above. The fund requirements described above are proposed to be entirely funded from the Net Issue Proceeds. Accordingly, we confirm that 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 amount to be raised through the Issue.

Some of our objects mentioned above are already underway and is currently being funded out of internal accruals, which shall be replenished subsequently by the resources mobilised from the Net Proceeds. Further, in the event of a shortfall in raising the requisite capital from the Net Proceeds, towards meeting the Objects of the Issue, the extent of the shortfall, if any, will be met from internal accruals or by raising debt. In case of any surplus of monies received in relation to the Issue, we may use such surplus towards general corporate purposes, subject to funds allocated towards general corporate purposes not exceeding 25% of the gross proceeds of the Issue.

Our assessment of funds requirement and deployment is based on internal management estimates and has not been appraised by any bank or any financial institutions. Our capital expenditure plans are subject to a number of variables, including possible cost over-runs; construction/development delays and changes in management's views of the desirability of the current plans, change in technology, increase in foreign currency exchange rate etc. among others. In case of any variations in the actual utilization of funds earmarked for the above activities or increased fund deployment towards setting up of Factory Unit IV at Daman, the shortfall, if any, may be met from surplus funds, if any, available in general corporate purposes and/or our Company's internal accrual and/or the loans that may be availed / raised from banks/financial institutions. For risks associated with the above, see the section titled "Risk Factors" on page 20 of this Draft Red Herring Prospectus.

Our Company operates in dynamic market conditions. Accordingly, we may have to revise our business plan from time to time. Our fund requirements and the utilisation of Net Proceeds may also change as a result of variations in the cost structure, changes in estimates and other external factors, which may not be within the control of our management. Any such change in our plans may require rescheduling of our expenditure programs, at the discretion of our management, subject to the necessary approvals, and such rescheduling, if any, shall be within the Objects of the Issue. In addition, the estimated dates of completion of various plans as described herein are based on management's current expectations and are subject to change due to various factors, some of which may not be in our control.

## Details of the Objects of the Issue

### 1. Setting up of Factory Unit IV at Daman

With a view to expanding our manufacturing capacity, we intend to utilize Rs.3,644.30 Lakhs from the Net Proceeds to set up Factory Unit IV at Daman, India. This new manufacturing facility is proposed to focus on manufacturing of rigid plastic sheets and thermoformed packaging products. Further, we have entered into a lease deed dated March 23, 2018 with Gagan Packaging Private Limited for 16 years 9 months for constructing and setting up our Factory Unit IV. The land is located at Survey no. 370/2, Village Kachigam, Nani Daman and we believe that this new manufacturing facility which is located adjacent to our Factory Unit II in the city of Daman (Union Territory of Daman & Diu), will be strategically positioned to serve the length of the country. Further, by being adjacent to one of our present manufacturing facilities, namely, Factory Unit II, we intend to synergize the two facilities for production, storage and delivery of our products to our customers.

The following table depicts the break-down of the estimated expenses related to setting up Factory Unit IV at Daman:

(Rs. in Lakhs)		
Sr. No.	Particulars	Total estimated cost
A.	Building and civil works	585.95
B.	Plant and machinery	2,708.35
C.	Miscellaneous expenses & Security deposit	150.00
D.	Contingency expenses	200.00
	<b>Total</b>	<b>3,644.30</b>

#### A. Building and Civil works

The building and civil works is required for constructing approximately 43,148 sq. Ft., of space for at the site of Factory Unit IV. In relation to the same, we have received a quotation from the architects, BVR Projects, based out of Surat (Gujarat) dated March 22, 2018 for an estimated cost of approximately Rs.585.95 Lakhs, the summary of which is as follows:

(Rs. in Lakhs)		
Sr. No.	Description of work	Amount
1.	Civil Work	422.54
2.	Interior work	20.38
3.	Exterior development work	53.65
	Sub total	496.57
	Taxes as applicable	89.38
	<b>Total</b>	<b>585.95</b>

#### B. Plant and machinery

We propose to utilise Rs. 2,708.35 Lakhs towards purchase of plant and machinery, which primarily includes multi layer extruder, thermoforming machine, electrical infrastructure, lab equipments, grinders, air handling system, chilling plant for plant and machinery.

We have received various quotations for the estimated cost of approximately Rs. 2,708.35 Lakhs (including taxes), the summary of which is as follows:

Sr. No.	Machine	Description	Capacity	Name of supplier	Quotation No. & date	Quantity	Cost (Rs. in Lakhs)
1	Multi layer extruder	Complete plant to produce 9 layers of sheets for barrier packaging application	700 KGs per hour	Reifenhäuser Cast Sheet Coating GmbH & Co. KG, Germany	RA1790129-001-D/05 dated:19/01/2018	1	1,867.60 <sup>*/#</sup>
2	Grinders	AR-1000 roller press conveying soundproof	N.A	Pulian International Enterprise Company Limited, Taiwan	SUN/ 2018/ 03/ 21A dated: 21/03/2018	2	15.94 <sup>*/^</sup>
3	Lab equipments	Map check 3 oxygen (zirconium) and carbon dioxide	N.A	Elixir Technologies, India	Ref:et/rajs/mcc 3/mmp/jl/02/2018 date: 23/03/2018	1	9.16 <sup>#</sup>
4	Lab equipments	Map mix provectus digital gas mixer	N.A	Elixir Technologies, India	Ref:et/rajs/mcc 3/mmp/jl/02/2018 Date: 23/03/2018	1	6.63 <sup>#</sup>
5	Thermoforming machine 4-stations	KMD 78.1 premium automatic pressure forming machine	Production speed max. (depending on stackings system) – 40 cycles per hour \$	Kiefel GmbH, Germany	OC-20052487-0 dated:31/07/2017@	1	399.45 <sup>^^/#</sup>
6	Electrical infrastructure	New 2000 KVA, 11/0.433KV, copper wound, oil cooled, BIS level II transformer	N.A	J & S Power Solutions, India	094-R1 /J&S / 2017-18 Dated: 21/02/2018	1	21.24 <sup>**</sup>
7	Electrical infrastructure	Electrical sub-station, control panel,	N.A	Power Care Systems, India	63/PCS-QTN/17-18 dated:27/02/2018	1	164.66 <sup>***/**</sup>



Sr. No.	Machine	Description	Capacity	Name of supplier	Quotation No. & date	Quantity	Cost (Rs. in Lakhs)
		cables and switch gears.					
8	Air handling system (AHU units)	FDV system with air washer arrangement & with celdek pad	N.A	Vent Air Inc., India	VAI/ QUOT/ 17-18/RPPLdated: 20/02/2018	1	94.52**
9	Air compressors	Screw air compressor system, CSDX 140 /12 bar.	N.A	Kaesar Compressors (India) Private Limited, India	Quotation No.:KCIPL/D P/192/2018 Dated: 05/02/2018	1	26.95**
10	Chilling plant	Industrial screw chiller	N.A	Reynold India Private Limited, India	Quotation No.: REY/ AFM-0278 dated: 31/01/2018	1	31.30**
11	Material handling equipments	Electric stacker - technosys	16,000 Kgs	Technosys Equipments Private Limited, India	YSD/ MHE/ TBS1665(AC) FFL/ RPL/ 0258 dated:21/03/2018	3	24.42**
12	Racking & storage	Design, manufacture , supply & installation of heavy duty selective pallet racking	N.A	Indo Built Storage Systems Private Limited, India	IBSSPL / QUOT / RPPL / 4681718 R1 dated: 21/03/2018	1	46.48**
<b>Total</b>							<b>2,708.35</b>

*Note: All the above plant and machineries include installation costs.*

*\* Plant and machinery is to be imported and the cost mentioned is the FOB cost.*

*# The base price is in Euros and a rate of Rs. 80.3713/Euro has been used for conversion to arrive at the cost in Indian rupee terms. The exchange rate is based on RBI press release for reference rate as on March 22, 2018.*

*^The base price is in US Dollar and a rate of Rs. 65.0622/USD has been used for conversion to arrive at the cost in Indian rupee terms. The exchange rate is based on RBI press release for reference rate as on March 22, 2018.*

*^^Plant and machinery is to be imported and the cost represents CIF cost.*

*@ Our Company has placed the order for this machine and our order has been confirmed vide letter dated July 31, 2017 by Kiefel GmbH. The said machinery is expected to be delivered by December, 2018. Further,*

for placing the order for the said machinery, our Company has paid an amount of Rs. 114.11 Lakhs from internal accruals, which will be replenished from the Net Proceeds.

\$ Derived production capacity is expected to be at an average of approximately 2,00,000 pieces per day.

\*\* Plant and machinery is to be domestically purchased.

\*\*\* The quotation is excluding GST hence, GST at a rate of 18% has been included in the cost.

### C. Miscellaneous expenses & Security Deposit

We estimate approximately Rs. 150.00 Lakhs as miscellaneous expenses and for payments towards security deposit for lease deed (which has been taken on lease for setting up of Factory Unit IV), freight and insurance to be paid on plant and machinery, obtaining the approvals for setting up Factory Unit IV and other expenses towards the preliminary (including buying of some ancillary equipments and machineries) and pre-operative expenses and other applicable taxes, if any.

Out of the Rs.150.00 Lakhs estimated miscellaneous expenses, our Company has identified the following amounting to approximately Rs. 43.65 Lakhs:

(Rs. in Lakhs)

Particulars	Amount
Freight of 1% on import of Multi Layer Extruder <sup>^</sup>	18.50
Freight of 1% on import of Grinders <sup>^^</sup>	0.15
Security deposit for land lease deed	25.00
<b>Total</b>	<b>43.65</b>

<sup>^</sup> Estimated for item (1) in the table of plant and machinery in para B. Above, which includes transit insurance and other custom clearance related expenses

<sup>^^</sup> Estimated for item (2) in the table of plant and machinery in para B. above, which includes transit insurance and other custom clearance related expenses

The balance estimated amount of Rs. 106.35 Lakhs as miscellaneous expenses is based on our management's estimates and such utilisation shall be at their discretion.

### D. Contingency expenses

We have estimated our contingency expenses to be Rs. 200.00 Lakhs.

## 2. General corporate purposes

In terms of Regulation 4(4) of the SEBI ICDR Regulations, the extent of the Net Proceeds proposed to be used for general corporate purposes will not exceed 25% of the proceeds of the Issue.

Our management will have flexibility in applying Rs. [●] Lakhs of the Net Proceeds towards general corporate purposes, including (i) brand building and other marketing efforts including participating in trade fairs and exhibitions; (ii) acquiring fixed assets, machinery, dies and moulds; (iii) meeting expenses incurred towards any strategic initiatives, partnerships, tie-ups, joint ventures, acquisitions, etc.; (iv) working capital requirement and (v) any other purpose as may be approved by our Board, subject to compliance with the necessary provisions of the Companies Act.

Our management, in accordance with the policies of the Board, will have flexibility in utilizing any amounts for general corporate purposes under the overall guidance and policies of our Board. The quantum of utilization of funds towards any of the purposes will be determined by the Board, based on the amount actually available under this head and the business requirements of our Company, from time to time.

## Issue related expenses

The total estimated expenses are Rs. [●] Lakhs, which is [●] % of the Issue size. The expenses of this Issue include, among others, underwriting and management fees, selling commissions, SCSBs commissions/fees, printing and distribution expenses, legal fees, statutory advertisement expenses, registrar and depository fees and listing fees.

The estimated issue expenses are as under:

Activity	Estimated expenses (Rs. in Lakhs) *	As a % of total estimated Issue related expenses	As a % of Issue size
Fees payable to the Book Running Lead Manager (including Underwriting commission)	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Fees payable to the Registrar to the Issue	[●]	[●]	[●]
Brokerage and selling commission payable to Syndicate**	[●]	[●]	[●]
Brokerage and selling commission payable to Registered Brokers**	[●]	[●]	[●]
Processing fees to SCSBs for ASBA Applications procured by the members of the Syndicate or Registered Brokers and submitted with the SCSBs**	[●]	[●]	[●]
Others (listing fees, legal fees, stationery charges, bankers to the Issue, auditor's fees etc.)	[●]	[●]	[●]
<b>Total Estimated Issue related expenses</b>	[●]	[●]	[●]

\* Will be incorporated after finalisation of the Issue Price in the Prospectus.

\*\* Selling commission payable to the members of the Syndicate, CDPs, RTA and SCSBs, on the portion for RIIs and NIIs, would be as follows:

Portion for RIIs	[●]% ^ (exclusive of Goods and Service Tax)
Portion for NIIs	[●]% ^ (exclusive of Goods and Service Tax)

^Percentage of the amounts received against the Equity Shares Allotted (i.e. the product of the number of Equity Shares Allotted and the Offer Price)

Further, the Members of Syndicate, RTAs and CDPs will be entitled to bidding charges of Rs. [●] (plus applicable Goods and Service Tax) per valid ASBA Form. The terminal from which the Bid has been uploaded will be taken into account in order to determine the total bidding charges payable to the relevant RTA/CDP.

\*\*\*Registered Brokers, will be entitled to a commission of Rs. [●] (plus applicable Goods and Service Tax) per Bid cum Application Form, on valid Bids, which are eligible for allotment, procured from RIIs and NIIs and submitted to the SCSB for processing. The terminal from which the bid has been uploaded will be taken into account in order to determine the total processing fees payable to the relevant Registered Broker.

\*\*\*\* SCSBs would be entitled to a processing fee of Rs. [●] (plus Goods and Service Tax) for processing the Bid cum Application Forms procured by the members of the Syndicate, Registered Brokers, RTAs or the CDPs and submitted to SCSBs.

## Deployment of Funds

The details of the amount spent by our Company as of March 23, 2018 towards the “*Objects of the Issue*” and as certified by our Statutory Auditors, S G C O & Co. LLP, Chartered Accountants, vide certificate dated March 23, 2018 are provided in the table below:

(Rs. in Lakhs)	
Deployment of Funds	Amount
Setting up of Factory Unit IV	114.11
Issue related expenses	19.61
<b>Total</b>	<b>133.72</b>

(Rs. in Lakhs)	
Sources of Funds	Amount
Internal accruals*	133.72
<b>Total</b>	<b>133.72</b>

\* The monies paid out of internal accruals towards objects of the Issue will be replenished from the Net Proceeds.

## Bridge financing facilities

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

## Interim use of Net Proceeds

Pending utilization of the Net Proceeds for the purposes described above, our Company will deposit the Net Proceeds only with scheduled commercial banks included in second schedule of the Reserve Bank of India Act, 1934 having credit rating of 'A' or above by an international credit rating agency. Our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any listed company or for any investment in the equity markets.

## Monitoring of utilization of funds

As per regulation 16(1) of SEBI ICDR Regulations, the requirement of monitoring agency is not mandatory if the Issue size is upto Rs 10,000 Lakhs. Since the Issue size is only of Rs. [●] Lakhs, our Company has not appointed any monitoring agency for this Issue. However, as per section 177 of the Companies Act, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the issue.

## Other Confirmations

Apart from entering into a lease deed for setting up our Factory Unit IV and placing an order for one machine (as stated in this section above), we have not entered into any definitive agreements to utilize the Net Proceeds of the Issue. The prices for the plant and machinery proposed to be purchased, as set out above, are as per the quotations received from the suppliers. Our Company depending on various factors will finalise the suppliers for the proposed object which may not be the same from whom the quotation were obtained. We will obtain fresh quotations at the time of actual placement of the order for the respective plant and machinery. The actual cost would, thus, depend on the prices finally settled with the suppliers and, to that extent, may vary from the above estimates. No second-hand equipment and machinery is proposed to be purchased by our Company from the Net Proceeds.

None of our suppliers/ service providers for utilisation of Issue proceeds for various Objects of the Issue are associated in any manner with our Company/ Group Entities or any other related party directly or indirectly.

No part of the Net Proceeds of the Issue will be utilized by our Company as consideration to our Promoters, members of the Promoter Group, Directors, Group Entities or Key Managerial Employees. Our Company has not entered into nor is it planning to enter into any arrangement/ agreements with Promoters, Directors, key management personnel, associates or Group Entities in relation to the utilization of the Net Proceeds of the Issue.

### **Appraising Entity**

None of the Objects of the Issue for which the Net Proceeds will be utilised has been appraised by any bank/financial institution.

### **Variation of Objects**

In accordance with Section 27 of the Companies Act and applicable rules, our Company shall not vary the Objects of the Issue without obtaining prior approval of the Shareholders by passing 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 applicable rules. The details of special resolution shall simultaneously be published in the newspapers, one in English and one in Hindi and one in Marathi i.e. the local language of the jurisdiction where our Registered Office is situated as per the applicable rules. Our Promoters or controlling Shareholders will be required to provide an exit opportunity to shareholders who do consent to the proposal to vary the objects, at such price and in such manner, as may be prescribed by SEBI, in this regard.

We further confirm that the amount raised by our Company through the Issue shall not be used for buying, trading or otherwise dealing in equity shares of any other listed company.

## BASIS FOR ISSUE PRICE

The Issue Price of Rs. [●] per Equity Share is determined by our Company, in consultation with the Book Running Lead Manager on the basis of an assessment of market demand for the Equity Shares through the Book Building Process and on the basis of the following qualitative and quantitative factors. The face value of the Equity Share is Rs. 10 per Equity Share and Issue Price is Rs. [●] per Equity Share. The Issue Price is [●] times the face value at the Floor Price of the Price Band and [●] times the face value at the Cap Price of the Price Band.

### Qualitative Factors

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

1. Experienced Promoters
2. Efficient management team
3. Well-equipped manufacturing facilities
4. Long term relationships with customers
5. Seasoned Board of Directors
6. Strategic location of our manufacturing facilities
7. Wide product range & customized product offering
8. Client retention
9. Consistent track record of organic growth
10. Efficient infrastructure and resource management with strict quality controls.

For further details, please refer to chapter titled “*Business Overview*” - *Our Strengths* beginning on page 127 of this Draft Red Herring Prospectus.

### Quantitative Factors

The information presented below relating to the Company is based on the Financial Statements of the Company for Financial Year 2017, 2016, 2015 and for the six (6) months ended September 30, 2017 prepared in accordance with Companies Act, Indian GAAP and restated in accordance with SEBI ICDR Regulations and Guidance Note on “Reports in Company Prospectus (Revised 2016)” issued by ICAI. Some of the quantitative factors, which form the basis or computing the price, are as follows:

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

Year / Period Ended	Basic and diluted EPS (Rs.)	Weight
March, 2017	11.01	3
March, 2016	10.17	2
March, 2015	0.93	1
Weighted Average	<b>9.05</b>	
September 30, 2017*	5.94	

\*Not Annualised

#### Notes:

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

*Net profit / (loss) as restated, attributable to Equity Shareholders*

*Weighted average number of equity shares outstanding during the year / period*

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

c. *The face value of each Equity Share is Rs. 10.*

## 2. Price to Earnings (P/E) ratio in relation to Issue Price of Rs. [●] per Equity Share of Rs. 10 each fully paid up

We believe that none of the listed companies in India have a business profile and revenue streams alongwith their size, directly comparable to ours. However, there is a listed company in India in the rigid plastic sheets / thermoformed packaging products sector with one or more business segments that maybe common to ours and hence, for the purpose of the table below on industry P/E, we have taken the listed company as the industry:

Particulars	P/E ratio on Cap Price	P/E ratio on Floor Price
P/E ratio based on Basic and diluted EPS as at March 31, 2017	[●]	[●]
P/E ratio based on Weighted Average Basic and diluted EPS as at March 31, 2017	[●]	[●]
<b>Industry*</b>		
Highest		38.67
Lowest		38.67
Average		38.67

*Note: The industry high, low and average has been considered from the industry peer set provided in this section. Since, there is only one listed company forming part of the peer set, the P/E ratio of the company has been considered as the industry ratio. For more details, please see the chapter titled “Basis for Issue Price-Comparison with industry peers” on page 95 of this Draft Red Herring Prospectus.*

## 3. Return on Net worth (RoNW)

Return on Net Worth (RoNW) as per restated Financial Statements.

Year / Period Ended	RONW (%)	Weight
March, 2017	22.28	3
March, 2016	25.34	2
March, 2015	3.01	1
Weighted Average	<b>20.09</b>	
September 30, 2017*	10.91	

*\*Not Annualized*

*Note: Return on Networth has been calculated as per the following formula:*

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

**4. Minimum Return on Net Worth (RONW) post Issue needed to maintain EPS of Rs. 11.01 for the year ended March 31, 2017**

Particulars	%
At Floor Price	[●]
At Cap Price	[●]

**5. Net Asset Value (NAV)**

Particulars	Amount (in Rs.)
Net Asset Value per Equity Share as of March 31, 2017	49.41
Net Asset Value per Equity Share as of September 30, 2017	54.44
Net Asset Value per Equity Share after the Issue	[●]
Issue Price per Equity Share	[●]

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

$$NAV = \frac{\text{Net worth excluding preference share capital and revaluation reserve, if any}}{\text{Outstanding number of equity shares as at the year / period end}}$$

**6. Comparison with industry peers**

We believe that none of the listed companies in India have a business profile, and revenue streams alongwith their size, directly comparable to ours. However, there is a listed company in India in the rigid plastic sheets / thermoformed packaging products sector with one or more business segments that maybe common to ours and the key financial parameters of this company (alongwith our Company's) is given below:

Name of the company	Face value (in Rs.)	EPS (in Rs.) <sup>a</sup>		RONW <sup>b</sup> (%)	NAV per equity share <sup>b</sup> (in Rs.)	P/E ratio <sup>c</sup> (x)
		Basic	Diluted			
Rajshree Polypack Limited	10	11.01	11.01	22.28	49.41	[●]*
Mold – Tek Packaging Limited <sup>^</sup>	5	8.77	8.77	17.22	50.90	38.67

\* based on the Issue Price to be determined by the Book Building process.

<sup>^</sup>Information for Mold – Tek Packaging Limited is on a consolidated basis.

*Note: The above information is for the year ended March 31, 2017.*

*(Source: Respective company's regulatory filings on BSE Limited.)*

- a) The basic and diluted EPS for peer companies is based on the respective peer group's regulatory filings with the BSE Limited for the year ended March 31, 2017.
- b) The RONW and NAV per share for the peers have been computed based on the respective peer groups regulatory filings with the BSE Limited for the year ended March 31, 2017 as follows:
  - (i) Return on Net Worth = Net profit after tax and extraordinary items/ net worth (paid –up equity share capital plus reserves and surplus);



- (ii) Net Asset Value per share = Net worth (paid –up equity share capital plus reserves and surplus)/ number of Equity Shares outstanding as at year.
- c) The P/E figures for the peer is computed based on the closing price on BSE (available at [www.bseindia.com](http://www.bseindia.com)) as on February 28, 2018, divided by basic EPS based on the respective peer groups regulatory filings with the BSE Limited for the year ended March 31, 2017.

For further details see section titled “*Risk Factors*” beginning on page 20 of this Draft Red Herring Prospectus and the financials of the Company including profitability and return ratios, as set out in the section titled “*Financial Statements*” beginning on page 188 of this Draft Red Herring Prospectus for a more informed view.

## BASIC TERMS OF THE ISSUE

### Terms of the Issue

The Equity Shares being issued pursuant to this Issue shall be subject to the provisions of the Companies Act, SEBI ICDR Regulations, SCRA, SCRR, the Memorandum and Articles of Association, SEBI Listing Regulations, the terms of the Red Herring Prospectus, the Abridged Prospectus, Bid cum Application Form, the Revision Form, the CAN/ the Allotment Advice 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, as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, GoI, NSE EMERGE, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, the RBI, GoI, NSE EMERGE, the RoC and any other authorities while granting their approval for the Issue.

Please note that, in terms of SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all the Bidders (excluding Anchor Investors) applying in a public issue shall use only ASBA facility for making the payment. Further vide the said circular, Designated Intermediaries have also been authorised to collect the Bid cum Application Forms.

### Authority for the Issue

The Issue has been authorized by the Board of Directors of our Company at its meeting held on November 20, 2017 and approved by the shareholders of our Company at the EGM held on December 18, 2017 pursuant to section 62(1)(c) of the Companies Act.

### Other Details

<b>Face Value</b>	The Equity Shares being issued in terms of this Draft Red Herring Prospectus have a face value of Rs. 10 each. At any given point of time there shall be only one (1) denomination of the Equity Shares of our Company, subject to applicable laws.
<b>Issue Price</b>	The Equity Shares pursuant to this Draft Red Herring Prospectus are being issued at a price of Rs. [●] each.
<b>Market Lot and Trading Lot</b>	The market lot and trading lot for the Equity Share is [●] and in multiples of [●] thereafter; subject to a minimum allotment of [●] Equity Shares to the successful Bidders.
<b>Terms of Payment</b>	<p>Bid cum Application Form should be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. The entire Issue Price of the Equity Shares of Rs. [●] per share including a premium of Rs. [●] per share is payable on submission of Bid.</p> <p>In case of Allotment of lesser number of Equity Shares than the number applied, the excess amount paid/blocked on application shall be refunded/unblocked by our Company to the Bidders.</p>
<b>Ranking of the Equity Shares</b>	The Equity Shares shall be subject to the MoA and AOA of the Company and shall rank <i>pari-passu</i> in all respects including dividends with the existing Equity Shares of the Company. The Allottees will be entitled to dividend or any other corporate benefits, if any, declared by us after the date of Allotment.

## Minimum Subscription

The requirement for 90% minimum subscription in terms of Regulation 14 of SEBI ICDR Regulations is not applicable to this Issue. In terms of Regulation 106P (1) of SEBI ICDR Regulations, the Issue is not restricted to any minimum subscription level and is 100% underwritten. Further, pursuant to Regulation 106R of SEBI ICDR Regulations, our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted shall not be less than 50.

If we do not receive 100% subscription in this Issue including devolvement of Underwriters within sixty (60) days from the Issue Closing Date, we shall forthwith refund the entire subscription amount received. If there is a delay beyond eight (8) days after we become liable to pay the amount, we shall pay interest prescribed under section 40 of the Companies Act.

## Compensation to Retail Individual Investor

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, any ASBA Applicant/Bidder who is a Retail Individual Investor, whose Bid cum Application Form has not been considered for Allotment due to the following factors:

- Failure on part of the SCSBs to make bids in the concerned Exchange system even after the amount has been blocked in the investors' bank account with such SCSB.
- Failure on part of the SCSB to process the ASBA applications even when they have been submitted within time.
- Any other failures on part of an SCSB which has resulted in the rejection of the application form.

shall be entitled to compensation by the SCSBs. Also, the said Applicants/Bidders have the option to seek redressal of the same within three (3) months of the date of listing of the Equity Shares of the Issuer, with the concerned SCSB. On receipt of such applications, the SCSB would be required to resolve the same within fifteen (15) days, failing which it would have to pay interest at the rate of 15 percent per annum for any delay beyond the said period of fifteen (15) days.

In the cases of the issues which are subscribed between 90-100%, i.e. non oversubscribed issues, the applicants would be compensated for all the shares which they would have been allotted.

*Note: No compensation would be payable to the Applicants/Bidders who are Retail Individual Investors in case the listing price is below the issue price.*

The formula for calculation of minimum fair compensation is as follows:

$$\text{Compensation} = \frac{(\text{Listing price}^* - \text{Issue Price}) \times \text{No. of shares that would have been allotted if bid was successful}}{\text{Probability of allotment of shares determined on the basis of allotment}}$$

*\*Listing price shall be taken as the highest of the opening prices on the day of listing across the recognized stock Exchanges*

A reference chart for calculation of minimum compensation in case of non-allotment of specified securities to Retail Individual Investors in an IPO is as under:

Example - Security A

Issue Price : 300

Listing Price: 325

Minimum Bid lot: 20 shares

<b>Total Applications received from RII</b>	<b>No. of Equity Shares applied in all valid applications</b>	<b>No. of Shares Reserved for RIIs</b>	<b>No. of times Subscribed</b>
(A)	(B)	(C)	(D) = B/C
2,00,000	3,28,00,000	35,00,000	9.37

In this case maximum possible allottees is  $35,00,000 / 20 = 1,75,000$

The basis of allotment is determined by Lead Managers in consultation with the Stock Exchanges as under:

<b>No. of Lots</b>	<b>No. of Shares at each lot</b>	<b>No. of retail Investors applying at each lot</b>	<b>Total No. of Shares applied for at each lot</b>	<b>No. of investors who shall receive minimum bid-lot (to be selected on lottery)</b>	<b>Allotment Ratio Determined</b>	<b>No. of shares allotted per allottee (minimum lot size)</b>
<b>A</b>	<b>B</b>	<b>C</b>	<b>D = (B*C)</b>	<b>E</b>	<b>F=E:C</b>	<b>G</b>
1.	20	10,000	2,00,000	$8,750 = (175000/200000)*10000$	7:8	20
2.	40	10,000	4,00,000	8,750	7:8	20
3.	60	10,000	6,00,000	8,750	7:8	20
4.	80	10,000	8,00,000	8,750	7:8	20
5.	100	20,000	20,00,000	17,500	7:8	20
6.	120	20,000	24,00,000	17,500	7:8	20
7.	140	15,000	21,00,000	13,125	7:8	20
8.	160	20,000	32,00,000	17,500	7:8	20
9.	180	10,000	18,00,000	8,750	7:8	20
10.	200	15,000	30,00,000	13,125	7:8	20
11.	220	10,000	22,00,000	8,750	7:8	20
12.	240	10,000	24,00,000	8,750	7:8	20
13.	260	10,000	26,00,000	8,750	7:8	20
14.	280	5,000	14,00,000	4,375	7:8	20
15.	300	15,000	45,00,000	13,125	7:8	20
16.	320	10,000	32,00,000	8,750	7:8	20
	<b>Total</b>	<b>2,00,000</b>	<b>3,28,00,000</b>	<b>1,75,000</b>		

In this case if the number of shares applied by an applicant whose bid was unsuccessful due to failure/error on part of SCSB is 20 shares or multiples thereof, then the minimum compensation is calculated as under:

$$\text{Compensation} = (\text{Rs.}325 - \text{Rs.}300) * 20 * (7/8) = \text{Rs.}437.50$$

## STATEMENT OF TAX BENEFITS

### STATEMENT OF SPECIAL/GENERAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS

To,  
The Board of Directors  
**Rajshree Polypack Limited,**  
**(Formerly known as Rajshree Polypack Private Limited)**  
Lodha Supremus  
Unit No. #503-504, 5<sup>th</sup> Floor,  
Road No. 22, Kishan Nagar, Near New Passport Office,  
Wagle Estate, Thane (West)  
Pin. 400604.

Dear Sirs,

**Sub: Statement of possible Tax Benefits (the ‘Statement’) available to Rajshree Polypack Limited and its shareholders under Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009 (‘the Regulations’)**

We refer to the proposed initial public offer (“IPO”) of Rajshree Polypack Limited (“the Company”). We enclose herewith the statement showing the current position of special tax benefits available to the Company and to its Shareholders as per the provisions of the Income-tax Act 1961 (as amended by Finance Act, 2017) (“the Act”), as applicable to the assessment year 2018-19 relevant to the financial year 2017-18 for inclusion in this Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus (“Offer Documents”) for the proposed IPO. 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 (“Act”). Hence the ability of the Company or its Shareholders to derive these direct tax benefits is dependent upon their fulfilling such conditions.

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 the specific tax implications arising out of their participation in the IPO. 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 whether:

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

We hereby give our consent to include enclosed statement regarding the tax benefits available to the Company and to its shareholders in the Offer Documents for the proposed IPO of equity shares which the Company intends to submit to the Emerge platform of the National Stock Exchange of India Limited, and other required regulators if any, provided, that the below statement of limitation is included in the Offer Documents.

## ***LIMITATIONS***

*Our views expressed in the statement enclosed are based on the facts and assumptions indicated above. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. Reliance on the statement is on the express understanding that we do not assume responsibility towards the investors who may or may not invest in the proposed issue relying on the statement.*

*This statement has been prepared solely in connection with the proposed IPO of Equity shares by the Company under the Securities and Exchange Board of India (“SEBI”) (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the Issue).*

***For S G C O & Co LLP***

*Chartered Accountants*

***(Firm Registration No. 112081W/W100184)***

***Suresh Murarka***

*Partner*

***Membership No. 44739***

*Mumbai, February 2, 2018*

## STATEMENT OF TAX BENEFITS

The information provided below sets out the possible special tax benefits available to the Company and its Shareholders under Income Tax Act, 1961 and Income Tax Rules, 1962 presently in force presently in force in India.

### *I. Special tax benefits available to the Company*

There are no special tax benefits available to the Company under the tax laws.

### *II. Special tax benefits available to Shareholders of the Company*

There are no special tax benefits available to the Shareholders of the Company under the tax laws.

### **NOTES:**

1. This statement does not discuss any tax consequences in the country outside India of an investment in the shares. The shareholders / investors in the country outside India are advised to consult their own professional advisors regarding possible Income tax consequences that apply to them.
2. In respect of non-residents, the tax rates and the consequent taxation mentioned above shall be further subject to any benefits available under the DTAA, if any, between India and the country of residence of the non-resident.
3. The above statement covers only above mentioned tax laws benefits and does not cover any indirect tax law benefits or benefit under any other law.

## SECTION V – ABOUT THE COMPANY

### INDUSTRY OVERVIEW

*The information in this section is derived from the report titled “PET, PP, HIPS And Thermoformed Packaging Products, February 2018” (the “CARE Advisory Report, February 2018”), prepared by CARE Advisory Research & Training Limited (“CARE Advisory”). We commissioned the CARE Advisory Report, February 2018 for the purpose of confirming our understanding of the industry in connection with the Issue. Neither we, nor the BRLM, nor any other person connected with the Issue has verified the information in the CARE Advisory Report, February 2018. Further, the CARE Advisory Report, February 2018 was prepared based on publicly available information, data and statistics as of specific dates and may no longer be current or reflect current trends.*

*The CARE Advisory Report, February 2018 may also be based on sources that base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. CARE advisory, has advised that while it has taken due care and caution in preparing the CARE Advisory Report, February 2018 based on the information obtained by CARE Advisory from sources which it considers reliable, it does not guarantee the accuracy, adequacy or completeness of the CARE Advisory Report, February 2018 or the data therein and is not responsible for any errors or omissions or for the results obtained from the use of CARE Advisory Report, February 2018 or the data therein. The CARE Advisory Report, February 2018 is also subject to the disclaimer set forth at the end of this section titled “Industry Overview” beginning on page 103 of this Draft Red Herring Prospectus.*

*Further, the CARE Advisory Report, February 2018 is not a recommendation to invest / disinvest in any company covered in the report. CARE Advisory especially states that it (including all divisions) has no financial liability whatsoever to the user of this product. Prospective investors are advised not to unduly rely on the CARE Advisory Report, February 2018 when making their investment decision.*

### ECONOMIC OUTLOOK

#### Global Economy

As per International Monetary Fund (IMF) January 2018 World Economic Outlook (WEO), global output is estimated to have grown by 3.7 percent in 2017, the global growth forecast for 2018 and 2019 is at 3.9 percent for both the years. The growth rate for emerging market and developing economies is estimated to rise up by 4.7 percent in 2017 while it is forecast to rise to 4.9 percent in 2018, 5.0 percent in 2019. This growth forecast primarily reflects stronger projected activity in emerging Europe and Asia for 2017, 2018 and 2019.

The US economy is estimated to be expanded at 2.3 percent in 2017 and projected to expand at 2.3 percent in 2018 and 2.2 percent in 2019. The projection of a continuation of near-term growth that is moderately above potential reflects very supportive financial conditions and strong business and consumer confidence. The U.S. tax policy changes are expected to stimulate activity, with the short-term impact in the U.S. mostly driven by the investment response to the corporate income tax cuts. Over a longer horizon, U.S. growth is expected to moderate. Potential growth is estimated at 1.8 percent, reflecting the assumption of continued sluggish growth in total factor productivity and diminished growth of the workforce due to population aging.

The euro area recovery is expected to gather strength this year, with growth estimated to rise to 2.4 percent in 2017, before moderating to 2.2 percent in 2018 and 2.0 percent in 2019. The growth in 2017 mostly reflects acceleration in exports in the context of the broader pickup in global trade and continued strength in domestic demand growth supported by accommodative financial conditions amid diminished political risk and policy uncertainty. Growth in the United Kingdom is estimated at 1.7 percent in 2017 and to subside to 1.5 percent



in 2018 and 2019. The slowdown is driven by softer growth in private consumption as the pound's depreciation weighed on household real income. The medium-term growth outlook is highly uncertain and will depend in part on the new economic relationship with the European Union and the extent of the increase in barriers to trade, migration, and cross-border financial activity.

In China, growth is estimated to notch up to 6.8 percent in 2017, while projected to slow to 6.6 percent in 2018 and 6.4 percent in 2019. The upward revision to the 2017 forecast reflects the stronger-than-expected outturn in the year underpinned by previous policy easing and supply-side reforms.

In the rest of emerging market and developing Asia, growth is expected to be vigorous. Strong government spending and data revisions in India led to an upward revision of 2016 growth to 7.1 percent with upward revisions of about 0.2 percentage point, on average, for 2014 and 2015. However, the growth estimated for 2017 to 6.7 percent reflecting still lingering disruptions associated with the currency exchange initiative introduced in November 2016, as well as transition costs related to the launch of the national Goods and Services Tax in July 2017. The latter move, which promises the unification of India's vast domestic market, is among several key structural reforms under implementation that are expected to help push growth above 8 percent in the medium term. In the ASEAN-5 economies (Indonesia, Malaysia, Philippines, Thailand, Vietnam), growth is estimated to strengthen in 2017 by 5.3 percent, partly because of stronger-than-expected external demand from China and Europe.

Global growth is forecast to increase marginally beyond 2018, reaching 3.8 percent by 2021. With growth in advanced economies projected to gradually decline toward potential growth rates of about 1.7 percent once economic slack is eliminated, this further pickup in global activity is entirely driven by emerging market and developing economies. In these countries, growth is projected to increase to 5 percent by the end of the forecast period, with their impact on global activity boosted by their rising world economic weight. This forecast assumes some strengthening of growth in commodity exports, though to rates much more modest than in 2000–15; a gradual increase in India's growth rate resulting from implementation of important Structural reforms; continued strong growth in other commodity imports; and a lower but still high trend growth rate in China.

#### **Real GDP Growth (%):**

<b>Country &amp; Groups</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
		<b>Estimate</b>	<b>Projections</b>	<b>Projections</b>
World Output	3.2	3.7	3.9	3.9
Advanced economies	1.7	2.3	2.3	2.2
Emerging Market and Developing Economies	4.4	4.7	4.9	5.0
Emerging and Developing Asia	6.4	6.5	6.5	6.6
China	6.7	6.8	6.6	6.4
India	7.1	6.7	7.4	7.8
ASEAN-5	4.9	5.3	5.3	5.3
Emerging and Developing Europe	3.2	5.2	4.0	3.8
Latin America & the Caribbean	(0.7)	1.3	1.9	2.6
Middle East, North Africa	4.9	2.5	3.6	3.6
Sub-Sahara Africa	1.4	2.7	3.3	3.5
Low-Income Developing Countries	3.6	4.7	5.2	5.3

(Source: International Monetary Fund, January 2018)

### **Indian Economy:**

India has become the fastest growing major economy in the world according to the CSO and the IMF. According to the IMF, post demonetization, India's growth is projected to rebound to 7.4 percent in FY 2019 and further to 7.8 percent in FY 2020. According to IMF January 2018 economy outlook India's economy expected to grow by 6.7 in fiscal year 2017-18. The improvement in India's economic fundamentals has accelerated in 2015 with the combined impact of strong government reforms, the inflation focus of the RBI supported by global commodity prices.

Moody's Investors Service ("Moody's") has upgraded the GoI's local and foreign currency issuer ratings to Baa2 from Baa3 and changed the outlook on the rating to stable from positive in November 2017. India's rating has been upgraded after a period of thirteen (13) years. India's sovereign credit rating was last upgraded in January 2004 to Baa3.

India's GDP will grow by 6.7% in the current fiscal, sharply down from 7.1% growth clocked by it in 2016-17, the CSO. The CSO's estimate on GDP growth for 2017-18 is even lower than the RBI's lowered projection of 6.7%. The central bank had initially forecast GDP growth at 7.3% for this fiscal. The gross value added (GVA) is projected to grow by 6.1% in 2017-18, down from 6.6% in 2016-17. The manufacturing sector is expected to grow by 4.6% vs 7.9% the previous year, agriculture by 2.1% vs 4.9%, electricity and utility services by 7.5% vs 7.2% in the last fiscal. The construction sector, which has been in the doldrums so far, is seen picking up to 3.6% from 1.7% in 2016-17. Finance, insurance, real estate and profession services sector is expected to post 7.3% growth, up from 5.7% in 2016-17.

Direct tax collections during the first nine-and-a-half months of the current fiscal have risen by 18.7 percent to Rs 6.89 Lakh crore. The collection amounts to 70 percent of the Rs 9.8 Lakh crore revenue target from direct taxes.

The growth in corporate tax collections has risen from 4.8 per cent in first quarter of current fiscal to 10.1 per cent in Q3 and 11.4 per cent as on January 15, 2018. Similarly, the growth rate of net corporate tax collections increased from 10.8 per cent in Q2 to 17.4 per cent in Q3 and to 18.2 per cent as on January 15, 2018.

India has maintained its position as the third largest start up base in the world with more than 5,200 technology start-ups, with approximately 1,000 new start-ups to be founded in 2017, according to a report issued by National Association of Software and Services Companies (NASSCOM).

The Indian workforce is expected to hit 160-170 million by 2020, according to the population growth rate, the greater participation in the labor force and enrollment in higher education, among other factors, according to a study by the Associated Chambers of Commerce of India (ASSOCHAM) and Thought Arbitrage Research Institute.

India's Foreign Exchange Reserves was measured at 377.5 USD Bn. in Nov 2017, compared with 374.8 USD Bn. in the previous month.

### **Recent Developments across various sectors:**

#### **India Industrial Production:**

India's industrial output reversed the moderation of the previous month and surged to a 2 year high in November'17, surpassing expectations. The industrial output as measured by the Index of Industrial output (IIP) grew by 8.4% (y-o-y) in November'17, the highest monthly growth recorded since October'15. The

growth in IIP last month was significantly higher than the 5.1% growth of November'16 and 2.2% growth of October'17.



The manufacturing sector recorded a y-o-y of 10.2% in November'17 (4.1% in November'16), the highest growth in over 4.5 years. Consumer non-durables too grew by a record high 23.1% during the month (3.3% in November'16). Growth (y-o-y) during the month was the highest in case of the pharmaceuticals (40%), computers & optical products (29%), transport equipment (23%), food products (18%), motor vehicles (18%), basic metal (13%), non-metallic mineral products (10%), fabricated metal products (9%) and wood products (9%). The growth in pharmaceuticals and food products can be largely attributed to restocking.

(Source: Trading Economics)

### **India's Gross Capital Formation:**

Gross fixed capital formation in India decreased to 9152.11 INR Bn. in the third quarter of 2017 from 9275.06 INR Bn. in the second quarter of 2017. Gross Fixed Capital Formation in India averaged 5238.42 INR Bn. from 2001 until 2017, reaching an all-time high of 9384.88 INR Bn. in the first quarter of 2016 and a record low of 2021.90 INR Bn. in the first quarter of 2002.



(Source: Trading Economics)

### **Government Initiative:**

The GoI announced the demonetization of high denomination notes of Rs.1,000 and Rs.500, with effect on November 8, 2016, in order to eliminate black money and the growing threat of false banknotes in Indian currency, thus creating opportunities of improvement in economic growth.

In the Union Budget 2017-18, the Finance Minister, stated that the biggest boost of the budget proposals is the stimulation of growth, provide relief to the middle class, provide affordable housing, reduce black money, digitize the economy, increase transparency in political financing and simplify the tax administration in the country.

India's unemployment rate increased to 3.60 % in December 2017, from the previously reported number of 3.50 % in December 2016. India's unemployment rate is updated yearly, available from December 1991 to December 2017, with an average rate of 3.90 %. The data reached an all-time high of 4.40 % in December 2005 and a record low of 3.50 % in December 2016.

Numerous foreign companies are establishing their facilities in India because of several government initiatives such as Make in India and Digital India with the aim of boosting the manufacturing sector of the Indian economy to increase the purchasing power of an average Indian consumer, which would boost demand and stimulate development in addition to benefiting investors. The GoI, under the Make in India initiative, seeks to boost the contribution of the manufacturing sector and aims to raise it to 25 percent of the current 17 percent GDP. In addition, the GoI has also presented the Digital India initiative, which focuses on three basic components: the creation of digital infrastructure, the provision of services in digital form and the increase of digital literacy.

The GoI along with its investment promotion agency, Invest India, are in discussion with around 300 Indian and foreign companies to channelize investments worth US\$ 62 Bn., which will help create over 1.7 million job opportunities in India.

### **Road Ahead:**

India is expected to be the third largest consumer economy since its consumption could triple to 4 trillion dollars by 2025, due to the change in consumer behaviour and the pattern of spending, according to a report by BCG; and it is estimated that it will surpass USA to become the second largest economy in terms of PPA for the year 2040. In addition, the Prime Minister has declared that India has become the world's fastest growing economy, and is expected to multiply by five (5) in 2040, due to a series of policy measures.

*(Source: Trading Economics, IBEF, Industry Source)*

## **PP, PET and HIPS**

### **Polyethylene Terephthalate (PET)**

PET, which stands for polyethylene terephthalate, is a form of polyester (just like the clothing fabric). It is extruded or molded into plastic bottles and containers for packaging foods and beverages, personal care products, and many other consumer products. PET is a highly valued packaging material because it is strong yet lightweight, non-reactive, economical, and shatterproof. PET, or polyethylene terephthalate, is the chemical name for polyester. When PET is used for fiber or fabric applications, it is usually referred to as "polyester". When used for container and packaging applications, it is typically "PET" Or "PET resin". PET is a biologically inert material that doesn't react with foods or beverages and is resistant to attack by micro-organisms. It has also been used by consumers around the world for more than 30 years without any known adverse effects. Extensive testing of PET and PET packaging has repeatedly shown it to be safe. PET itself is biologically inert if ingested.

PET's safety for food, beverage, and personal care, pharmaceutical and medical applications is recognized by health authorities around the world. PET containers are popular for packaging sodas, water, juices, salad dressings, cooking oil, peanut butter, shampoo, liquid hand soap, mouthwash, pharmaceuticals, even tennis balls. Special grades of PET are used for carry-home prepared food containers that can be warmed in the oven or microwave. PET is a polymer of ethylene glycol and terephthalic acid. Pellets of PET resin are heated to a molten liquid, which can be easily extruded or molded into almost any shape.

### **Rigid plastics record the highest growth rate**

Rigid plastic packaging should continue its growth according to a CAGR of 4.4% until 2020 to USD 222.5 Bn.

PET would maintain their market share in terms of packaging industry due to its light weight, which reduces costs and carbon footprint during transport. Its global consumption is set to reach 21.1 million tonnes in 2021 due to technological developments, such as packaging for milk and the ability to fill hot sauces and cooking preparations.

Africa, the Middle East and Asia will be the largest consumers of rigid plastic packaging in the next five years. Inversely, on markets like Australia, demand for carbonated drinks, water and food products seems to be saturated and is moving towards soft plastic packaging as new growth sources.

*(Source: CARE Advisory Report, February 2018)*

### **Polypropylene (PP)**

Polypropylene (PP) is a thermoplastic polymer used in a wide variety of applications. An additional polymer made from the monomer propylene, it can be produced in a variety of structures giving rise to a variety of applications including packaging and labeling, textiles, plastic parts and reusable containers of

various types, laboratory equipment, automotive components, and medical devices. It is a white, mechanically rugged, and resistant to many chemical solvents, bases and acids.

The large numbers of end-use applications for polypropylene are often possible because of the ability to tailor grades with specific molecular properties and additives during its manufacture. For example, antistatic additives can be added to help polypropylene surfaces resist dust and dirt. Many physical finishing techniques can also be used on polypropylene, such as machining. Surface treatments can be applied to polypropylene parts in order to promote adhesion of printing ink and paints.

### **High Impact Polystyrene (HIPS)**

High Impact Polystyrene is a rubber-modified version of General Purpose Polystyrene (GPPS), which exhibits high impact strength in sheet form, is easily fabricated and vacuum formed. High impact polystyrene sheet (or HIPS sheet as it's known in the trade) is a very versatile material and provides a cost effective route to the production of parts for many industrial sectors. High Impact Polystyrene sheets exhibit much higher impact strength than a General Purpose Polystyrene or standard run-of-the-mill substrate, the high impact styrene means it has more rubber content, which makes it easier to vacuum form and will bend/ mould easier with better durability.

### **Benefits of High Impact Polystyrene:**

- I High Impact Polystyrene (HIPS) is an economical and versatile plastic
- II It can be easily molded and has excellent impact resistance
- III It is aesthetically pleasing in design and is a formable plastic
- IV It can be easily painted thanks to its amorphous qualities

High Impact Polystyrene (HIPS) is often used in applications that require; flexibility, impact resistance and machinability.

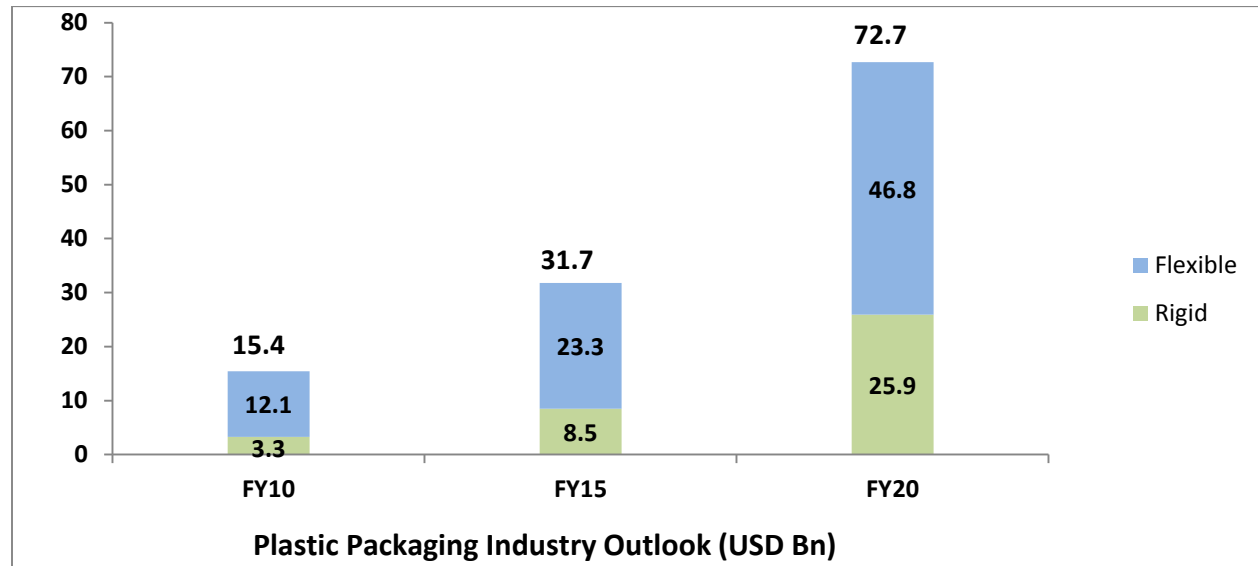
### **Applications and Benefits of PET and PP**

Plastic	Applications	Benefits
PET	Food jars for jelly, jam and pickles Plastic bottles for soft drinks, water, juice Ovenable film and microwavable food trays	Excellent resistance to most solvents High impact capability and shatter resistance Clear and optically smooth surfaces
PP	Medicine bottles Bottle caps and closures Bottles for catsup and syrup. Packaging products	Low moisture vapor transmission Inertness toward acids, alkalis and most solvents
HIPS	Thermoforming products Packaging for dairy products Pharmaceuticals packaging	Impact resistance, High flexibility, Easily moldable, Easily painted

## PACKAGING INDUSTRY PROSPECTS

### Packaging Industry:

Packaging in general is classified into two (2) significant types i.e. rigid packaging and flexible packaging. Flexible & rigid packaging industry anticipates a strong growth in the future.



(Source: CARE Advisory Report, February 2018)

Plastic packaging industry grew at a CAGR of 15.6% from FY10 to FY15 and expected to grow at CAGR 18% from FY15 to FY20. While overall packaging industry has grown by 15.6%, the rigid plastic packaging industry has grown by 20.8%. Further the rigid plastic packaging industry is expected to grow by 25% over next five (5) years as against overall packaging CAGR of 18%. Further growth in rigid plastic packaging industry has outpaced the flexible packaging industry in the past and it is projected to outpace in future as well.

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

Plastic packaging is one of the fastest growing industries and stands at USD 700 Bn. globally. It has grown higher than GDP in most of the countries. In developing country like India, it grew at a CAGR of 16% in the last five years and touched approx. USD 32 Bn in FY15. The Indian plastic packaging industry constitutes around 4% of the global plastic packaging industry. The per capita packaging consumption in India is low at 4.3 kgs, compared to developed countries like Germany and Taiwan where it is 42 kgs and 19 kgs respectively.

However in the coming years Indian packaging industry is expected to grow at 18% p.a. wherein, the rigid packaging is expected to grow at 25 % p.a. and flexible packaging to grow at 15 % p.a. This growth is powered by increased penetration of packaged food and personal products in to the semi urban and rural segment and shift in manufacturing operations from high cost geographies to comparatively low cost industry in India.

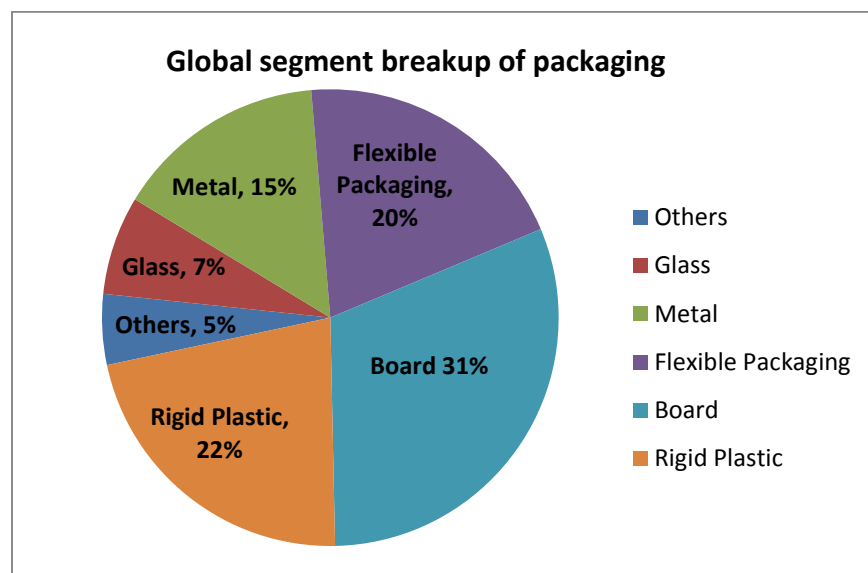
In tier 2 and tier 3 cities, the average pack sizes are usually smaller than the pack sizes in tier 1 cities. This results in increased use of packaging consumption in the FMCG industry. As the Government is increasing its spending in the rural economy, increased demand for FMCG products is experienced in the hinter lands of India. The growth is likely to intensify in the next 2 - 3 years.

Packaging encompasses a wide range of material types across paper board, metals, plastic, wood, glass and other materials. However amongst all the substitutes available, 'Plastic Packaging' is the fastest emerging trend in the packaging industry. Plastics today form the foundation of our “convenience consumer culture”. The traditional materials like paper boards, metals, wood, glass etc. have been replaced by plastics in many applications due to their cost to performance ratio.

Plastics replacing the traditionally used materials			
Product		Traditional Material	Current Trend
Milk/ Edible Oil	➡	Glass/ Metal	➡ 3/ 5 Layer Film Pouches
Toiletries (Soap / Shampoos)	➡	Paper/ Glass	➡ Plastic Pouches / Films
MPCG (Cement / Fertilizer)	➡	Jute	➡ PP / HDPE Woven Sack
Toothpaste	➡	Metal	➡ Plastic Lamitube

(Source: CARE Advisory Report, February 2018)

The features of plastics make them an ideal packaging material for all industrial or commercial users. Globally, Plastics comprise of 42% of packaging with the combination of rigid and flexible plastics in packaging.



(Source: CARE Advisory Report, February 2018)



## **Rigid Packaging**

### **Market for rigid plastic packaging in India:**

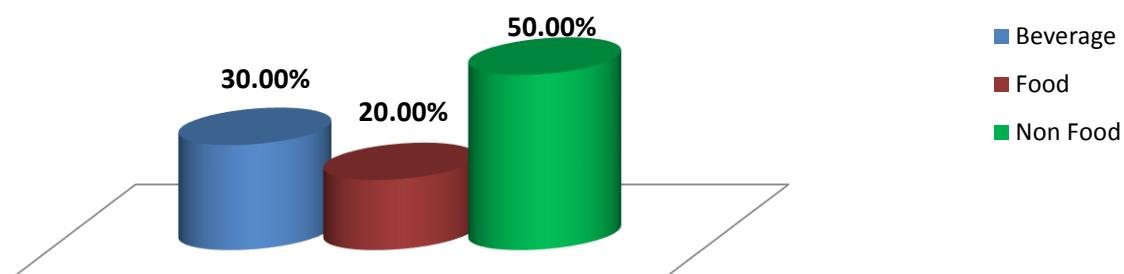
The market for rigid plastic packaging in India has grown well in the recent years and stood at about INR 535 Bn. in 2015-16. The market is expected to grow at a CAGR of around 25% during the next five (5) years. Northern region is by far the largest market for rigid plastics packaging and accounts for a share of 35%, followed by West at 32%.

Rigid plastic packaging products used for consumer packaging applications include bottles, jars, cups, tubs & pots, trays, tubes, pails, Yoghurt and Ice cream Containers, Plates, Bowls, Cup lids and Trays. Polyethylene terephthalate (PET), High Impact Polystyrene (HIPS) and polypropylene (PP) are the commonly used polymers for the manufacture of rigid containers. Low-density polyethylene (LDPE), linear low-density polyethylene (LLDPE), polystyrene (PS) and polyvinyl chloride (PVC) are other polymers used in the Indian context.

### **Rigid Plastic Packaging across end-use sectors**

Segment	Product Categories
<b>Beverage</b>	CSD
	Bottled water
	Fruit beverage- Fruit Juice & Fruit drink, nectar, squash
	Alcoholic Beverage-Liquor, Beer
	Others-energy drink
<b>Food</b>	Cooking medium-edible oil & Vanaspati
	Milk & dairy Product –malted milk, Butter, ghee, yoghurt, Milk powder, ice cream
	Confectionery
	Other Foods-Pickle, Sauce, honey, jam, sweetener, fruits, vegetables etc.
<b>Non Food</b>	Pharmaceuticals-pharmaceutical products (OTC products, formulations etc., alternative medicines (Ayurveda, homeopathy etc.)
	Household products – insecticides, cleaning products
	Paints & varnishes
	Lubricants (Engine Oil, grease)
	Other non-foods-agro chemicals, adhesives etc.

**Rigid Plastic Packaging market across India by end-use sectors, 2015-20 %**



(Source: CARE Advisory Report, February 2018)

### **Global rigid plastic packaging consumption:**

Global rigid plastic packaging consumption will be worth \$166 Bn. in 2017, and exceed \$200 Bn. by 2022. Volume consumption of rigid plastics globally will reach 52.9 million tonnes in 2017, and is projected to grow over the next five (5) years at an annual rate of 3.7% to 63.4 million tonnes.

Rigid plastic packaging market expansion will continue to profit from the drive to replace traditional materials – principally glass and metal – with lighter weight, more cost effective and higher performance plastic materials in various markets. This transition is being accelerated by concept innovations – such as the clear plastic can.

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

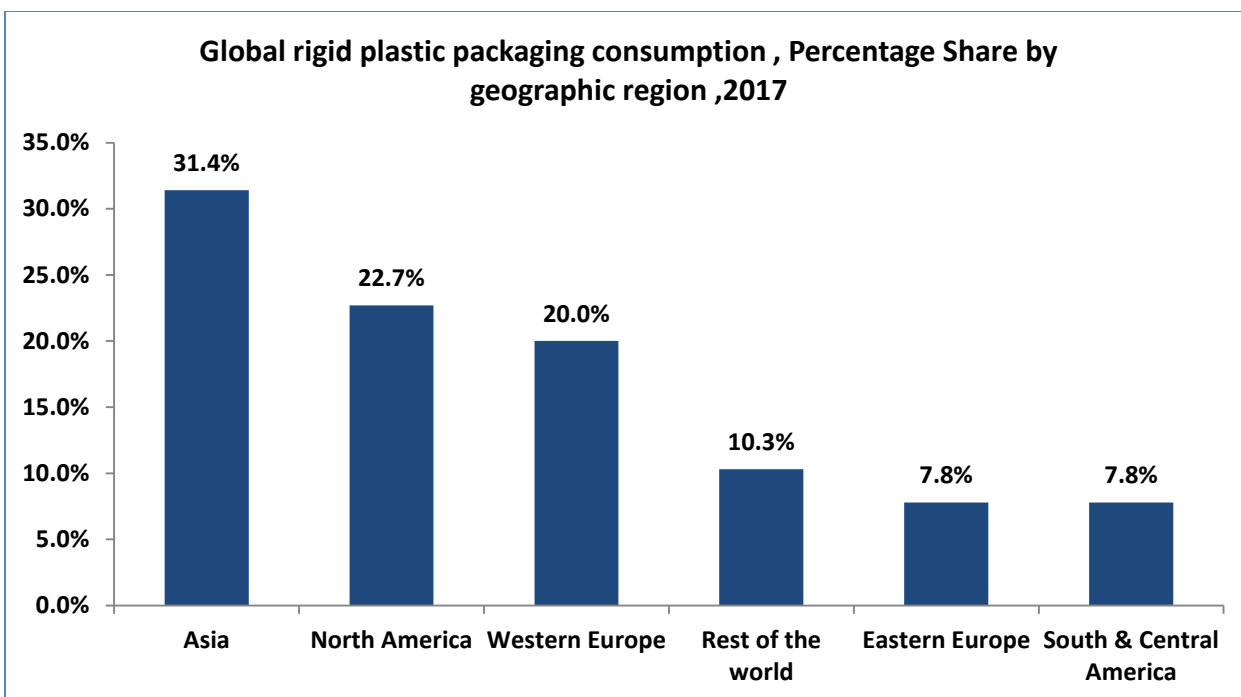
### **Emerging technology**

Technology is playing an important role in rigid plastic packaging market development as it competes with rival packaging types.

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

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

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



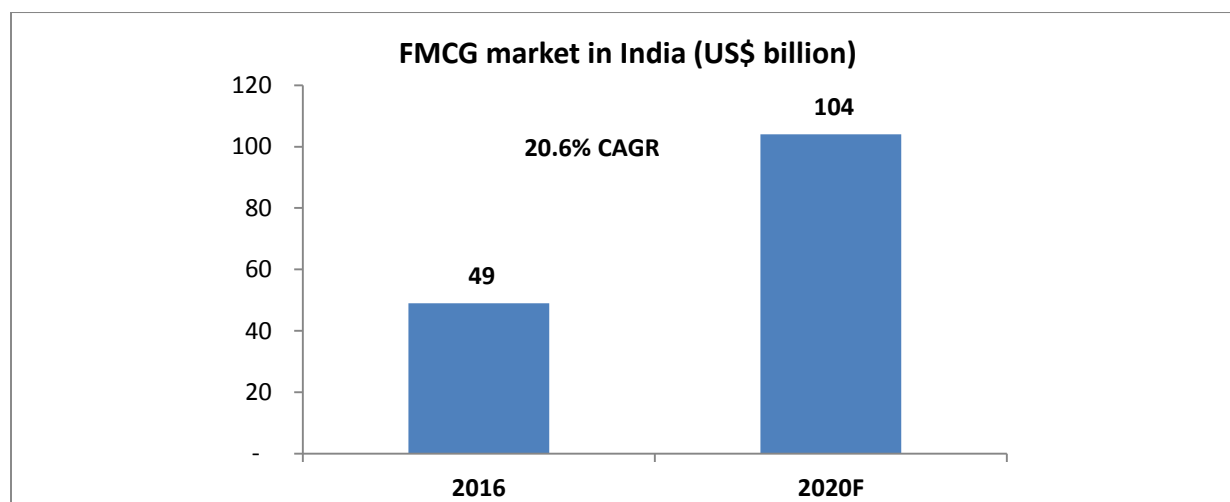
(Source: CARE Advisory Report, February 2018)

Food is the largest end-use market for rigid plastic packaging, accounting for a projected 37% consumption share in 2017. The healthcare sector is forecast to grow at the highest rate, followed by other food markets, drinks and cosmetics.

### **FMCG Market Overview:**

Favourable demographics and rise in income level to boost FMCG market.

FMCG market in India is expected to grow at a CAGR of 20.6% and is expected to reach US\$ 103.7 Bn. by 2020 from US\$ 49 Bn. in 2016.

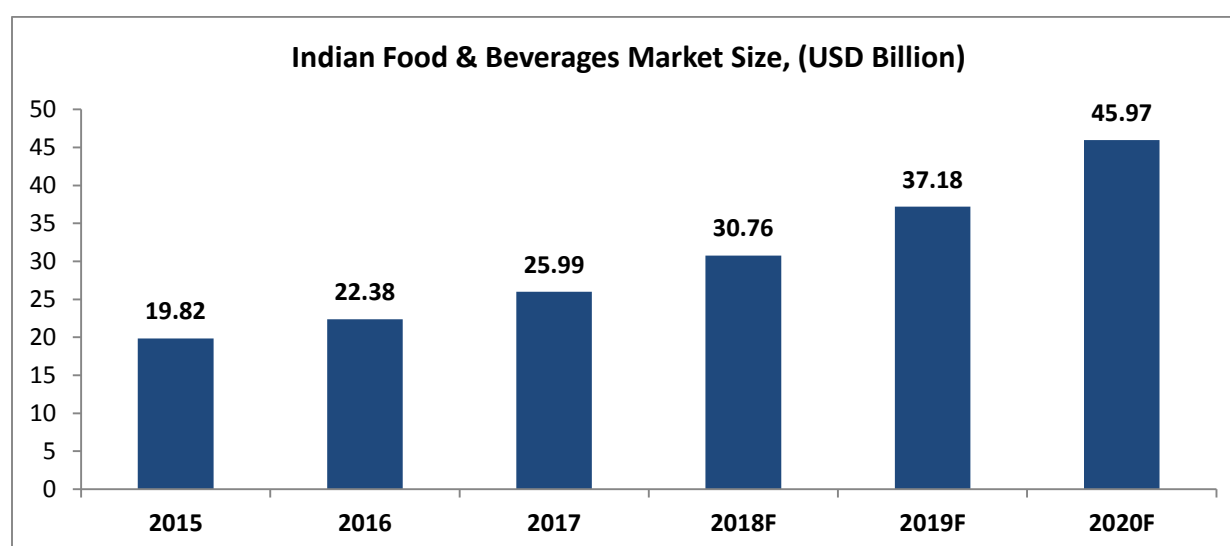


(Source: CARE Advisory Report, February 2018)

### **Evolution of FMCG in India**

- FMCG is the 4<sup>th</sup> largest sector in the Indian economy;
- Household and Personal Care is the leading segment, accounting for 50 per cent of the overall market. Hair care (23 per cent) and Food and Beverages (19 per cent) comes next in terms of market share;
- Growing awareness, easier access and changing lifestyles have been the key growth drivers for the sector;
- The number of online users in India is likely to cross 850 million by 2025;
- Retail market in India is estimated to reach US\$ 1.1 trillion by 2020 from US\$ 672 Bn. in 2016, with modern trade expected to grow at 20 per cent - 25 per cent per annum, which is likely to boost revenues of FMCG companies.

### **Indian Food & Beverages Market Size**



(Source: CARE Advisory Report, February 2018)

Leading FMCG Companies in Food & Beverages Segment along with key products	
ITC	Aashirvaad, Sunfeast, Bingo! Yippee! Kitchens of India, B Natural, mint-o, Candyman
HUL	Knorr, Lifeboy, Lipton, Pepsodent, Pond's, Vaseline, Bru Coffee, Brook Bond Tea, Kissan, Kwality Wall's,
Amul	Amul Milk, Cheese, Ice Cream, Mithai Range, Chocolates, Butter milk, Beverages
Parag Milk Foods	Ghee, Fresh Milk, Skim Milk Powder, Whole Milk Powder, Paneer, Processed and Natural Cheese, Cheese Spreads, Butter, Dahi, Dairy Whitener and Gulab Jamun Mix under the brand names of 'Gowardhan' and 'Go'
Parle Agro	Frooti, Café Cuba, Hippo, Maaza, Parle-G, Melody, Mango Bite, Poppins, Kismi Toffee Bar, Monaco and Krack Jack
PepsiCo	Cheetos, Kurkure, Lehar Namkeen, Aquafina, 7UP, Pepsi, Tropicana, Uncle Chipps

Britannia Industries	Dairy products, Biscuits (Vita Marie Gold, Tiger, Nutrigo Junior, Good day, 50 50, Treat, Pure Magic, Milk Bikis, Good Morning, Bourbon), breads, etc.
Nestle	Nescafé, Kit Kat, Maggi, etc.

(Source: CARE Advisory Report, February 2018)

### **Market Opportunities**

- **Rural Market** - Rural consumption of FMCG products has outpaced urban consumption with the percentage increase in monthly per capita expenditure in rural markets surpassing its urban counterparts. Leading companies in the FMCG sector have a strong distribution network in rural India and are benefitting from the contribution of technological advances such as internet and better logistics services.
- **Innovative Products** - Indian consumers are highly adaptable to new and innovative products. As Indian consumers become increasingly exposed to global products, their demand for innovative products has been increasing, which is resulting in higher R&D expenditure by the leading market players.
- **India as an Export Hub** - With emergence of India as a strong regional economy, domestic and multinational FMCG players can leverage India as a strategic sourcing hub for cost-competitive products to cater to international markets. This has been witnessed as a strategy of several FMCG companies whose revenues from the international markets has been increasing.

### **Pharmaceutical Packaging in India:**

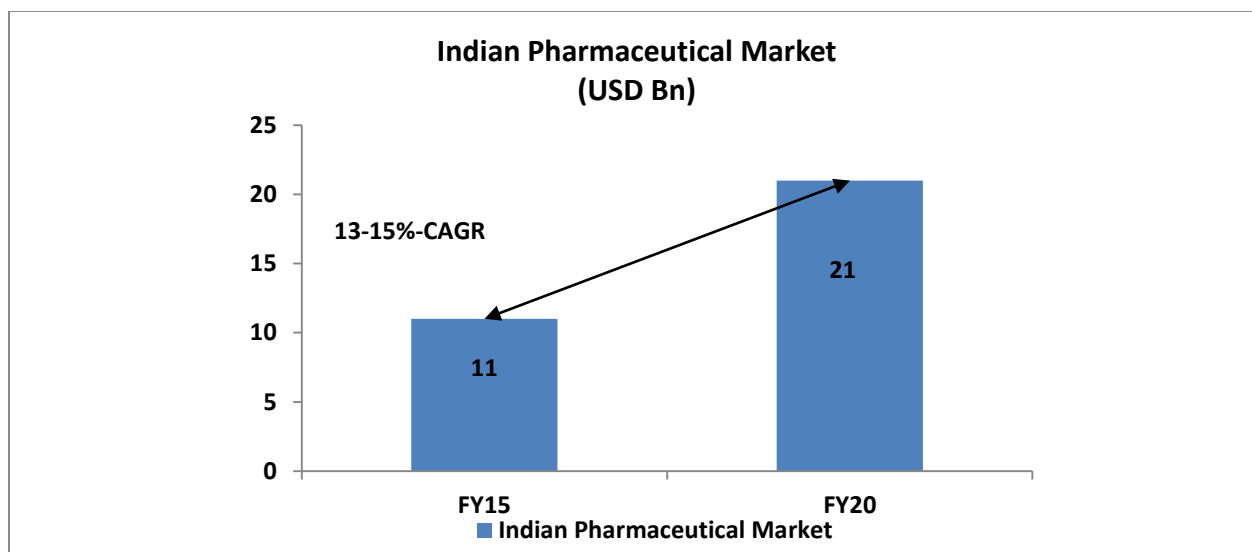
The Indian pharmaceutical packaging industry is witnessing a spurt in growth. Today, the packaging industry in India is considered a sunrise industry and its linkages are extensive and highly employment creating. On one side, it involves manufacture (and sometimes import) of a wide range of packing material - paper, paperboard, cardboard, a range of polymer products including rigid and flexible packaging material, aluminium foil, tin and good old wood and steel.

Growth will follow upward trends in global medication consumption, which will expand at a strong pace as aging demographic patterns lead to an increasing number of diseases and disorders. Pharmaceuticals will assume an expanding role in worldwide health care delivery based on new product introductions and economic advantages over other forms of patient treatment.

Besides upward trends in medication consumption, the adoption of stricter regulations and standards governing the production, storage, distribution and labelling of pharmaceuticals will boost global growth opportunities for packaging products and accessories.

Therefore, due to increasing expertise in the packaging of F&B, medicinal, home & personal care and other heavy industrial products, plastic packaging segment is expected to capture the packaging demand. The overall packaging industry in India has a huge growth potential and is expected to reach USD 73 Bn. in FY 20. Additionally, India is growing as a manufacturing hub and the exports are also growing. To cater to the international market, the packaging standards are being uplifted which calls for adopting better packaging methods, materials and machineries to make sure that the quality of end product and visual appeal is top notch.

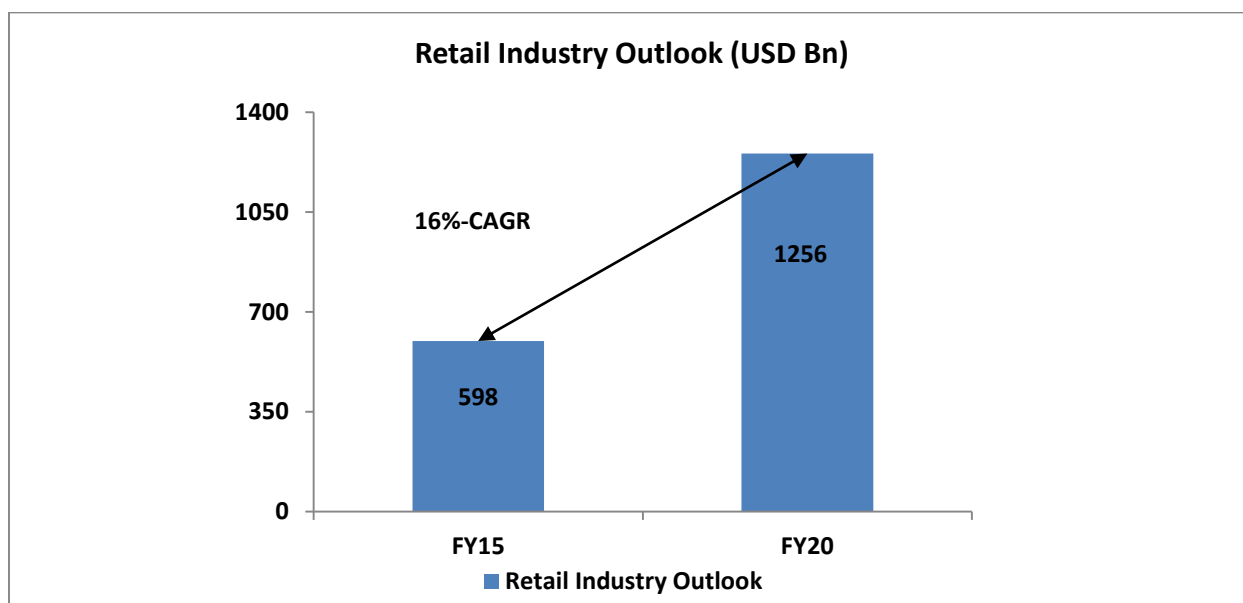
Moreover highly favourable demographic patterns in India such as increasing working age population, growing disposable income, growth in middle class, ongoing urbanization and changing lifestyles etc. will further drive the growth of packaging industry in India.



(Source: CARE Advisory Report, February 2018)

### **Retail Industry**

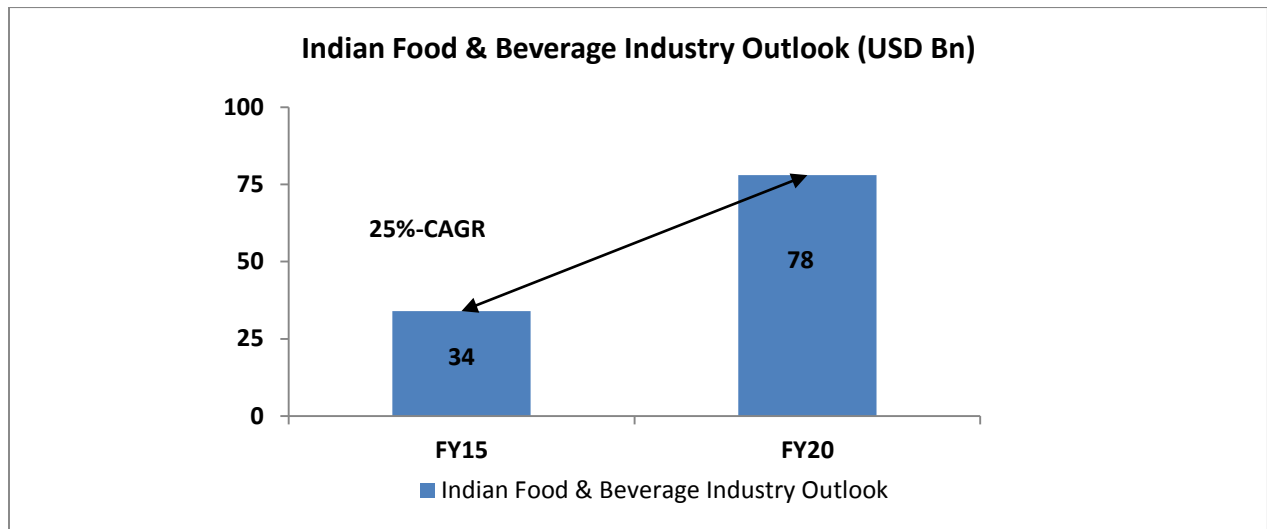
Retail Industry is one of the most dynamic industries in India. It has experienced high growth over the past years, with a gradual shift towards modern retailing formats. Indian retail market has attracted and increased the presence of multinational companies and therefore boosted demand in spaces such as F&B, consumers' products, cosmetics etc. Rising income levels is also stimulating the growth of organized retail which therefore increases the demand for innovative and attracting packaging concepts.



(Source: CARE Advisory Report, February 2018)

In the retail segment, Food & Beverages are one of the key growing segments. It falls amongst the biggest end users of packaging. Growth in F&B sector will drive the packaging demand and also demand for plastic packaging, as it ensures food safety, quality and long shelf life. Since packaged food is the fastest growing segment, it is expected to fuel the demand of plastic packaging in India. Spend on packaged foods is increasing

(at inflexion point) due to Increase in per capita income, Urbanization and Increase in working woman population. The graph below indicates the per capita expense on the packaged food in India.

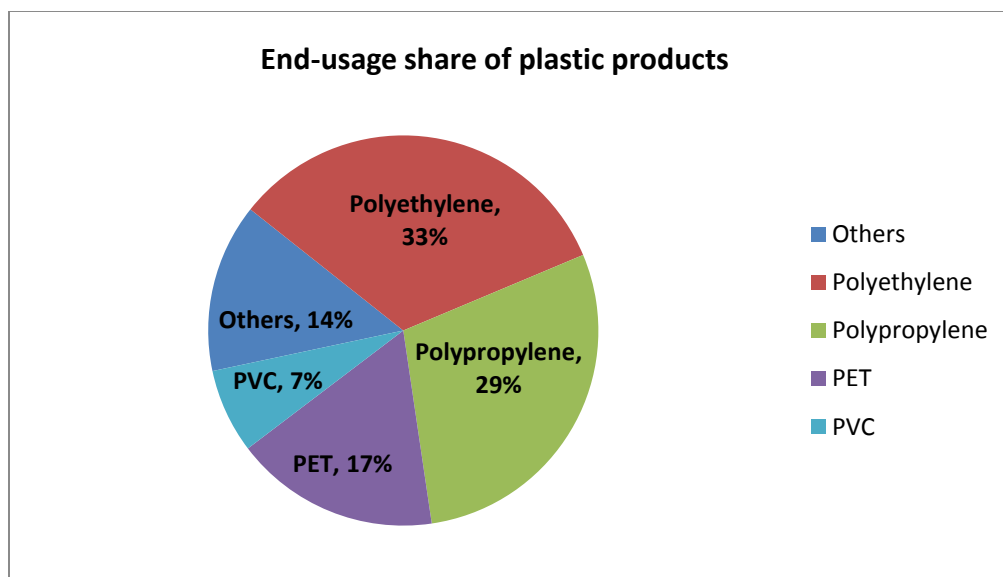


(Source: CARE Advisory Report, February 2018)

### **Indian Plastics Industry**

India is a growing market for plastics and consumes about 12.8 Million Metric Tonnes (MMT) of plastics annually against global consumption of 285 MMT per year. The plastics and polymer consumption is growing at an average rate of 10%. About 30,000 processing units with 1,13,000 processing machines have created manufacturing capacity of 30 MMT per annum in India. This has been achieved with a 13% CAGR of processing capacity during last five (5) years. The industry has invested \$5 Bn. in the machinery and it is expected to make further investment of \$10 Bn. for further increase in capacities during the next five (5) years.

The downstream plastic processing industry is highly fragmented and consists of micro, small and medium units. Out of 30,000 processing units, about 75% are in the small-scale sector. The small-scale sector, however, accounts for only about 25% of polymer consumption. The industry also consumes recycled plastic, which constitutes about 30% of total consumption.



(Source: CARE Advisory Report, February 2018)

### **Exports from India**

Products from the Indian Plastic Industry are exported to over 150 countries round the globe with the major trading partners being the European Union, USA, China, UAE, Saudi Arabia, Turkey, Nigeria, Indonesia, Egypt etc.

The exports of Plastic Products aggregated to US\$ 4.860 Bn. during the year 2013-14. During this year the exports of Plastic Polymers were US\$ 3.057 Bn. Thus, the exports of Plastic Polymers and Plastic Products from India totaled US\$ 7.917 Bn.

### **Growth of Indian Plastic Industry:**

- Huge growth opportunities in India for Plastics due to lower per capita consumption as compared to world average.
- New applications / innovations in Packaging development is driving growth in India.

### **Future opportunities for Packaging sector in India**

The growth in the plastic packaging industry in India will be majorly impacted by the end use industries, growing consumerism and government initiatives such as Make in India.

1. **End-Use Industries:** The Indian food & beverage industry has nearly 25% yearly growth and major application of plastics in food products is in packaging. Thus growth in food and beverage sector highlights the growth potential for plastics in packaging. Similarly, personal care sector, which is growing at nearly 15%, will also drive demand for rigid plastics, as it is the most used material for packaging of personal care products. Other industrial sectors such as, pharmaceutical that is proposed to grow at 13-15% over next five (5) years, retail industry, that is currently witnessing the shift from unorganized to organized retail; will also stimulate the demand of plastic in packaging material.
2. **Consumerism:** Growing consumerism will also contribute to growing demand. Consumer's preference for the use of convenient packaging and affordable packaging is driving the market towards rigid packaging in India. Consumers today are increasingly looking to buy products which are suitable for



handling, long lasting and easy to store and as plastics can be used with great versatility, they have been the preferred choice in packaging. This growth will also be pushed by the increasing size of middle class population in tier II/III cities in the country.

3. **Make in India:** The Government's current campaign on 'Make in India' which aims to turn the country into a global manufacturing hub will have positive impact on the growth of packaging industry. The proposed policies of government for technology up-gradation fund scheme, setting up SEZs to overcome bottlenecks of infrastructure and creating business friendly policies will help in exploring the underlying potential. Also the extended support from Ministry of Chemicals & Fertilizers and the CIPET will drive the growth of plastic industry in India. For example an export-oriented plastic cluster has been proposed to be set up at an investment of over INR 100 crore in Lucknow. IIA in collaboration with CIPET will set up this cluster. Cluster has already generated interest amongst 200 industrialists and entrepreneurs and is expected to generate direct employment opportunity for approx. 2,500 youth.

## **THERMOFORMED PACKAGING PRODUCTS INDUSTRY OVERVIEW**

Thermoforming is a process where a sheet of plastic is heated to make it flexible and then it is fabricated and molded in required shape to make it a usable product. Different methods used for processing thermoformed plastics are thin gauge thermoforming, thick gauge thermoforming, plug assist forming, and vacuum snapback.

Rising demand in various application sectors including food packaging, automotive, healthcare & medical, electrical & electronics, construction, and consumer goods & appliances owing to cost efficient nature is projected to propel the market over the coming years. Rapid industrialization, infrastructural, and medical activities is anticipated to augment the market growth from 2017 to 2025. The global thermoformed plastics market is expected to reach US\$16.28 Bn by 2025. Thermoformed plastics in medical industry are used for the manufacture of diagnostic systems, accessories, and medical plants.

Thin gauge thermoforming was projected to be the largest segment over the forecast period with a market share of 35% in terms of revenue in 2016. High labor cost and fluctuation raw material prices are major factors which negatively impact the market growth. Asia Pacific is the fastest growing segment with potential growth opportunities. Rising demand from industries such as automotive, medical, food packaging, construction, and pharmaceuticals in this region is expecting to boost the market over the forecast period.

### **Outlook:**

1. The global thermoformed plastics demand exceeded 3,80,000 tons in 2016 and is expected to grow at a CAGR of 4.2% from 2017 to 2025.
2. Polypropylene accounted for around 21% of the overall market segment- emerged as the largest product segment in 2016 and is estimated to generate revenue over US\$3.5 Bn. by 2025. PP is used to produce food packaging products such as cups, trays, margarine tubs, sandwich packs, disposable products, beverage glasses, and microwaveable containers. Increasing manufacturers of packaging products using polypropylene is projected to propel the industry.
3. Thin gauge thermoforming was projected to be the largest process segment and is anticipated to witness moderate growth over the next eight (8) years.
4. Automotive sector was 36,000 tons in 2016 and is expected to grow at a CAGR of 4.8% over the forecast period.
5. Food packaging was the significant application segment in 2016 and is projected to grow at a moderate rate owing to increasing consumption of ready to eat food is expected to boost this segment.
6. The food and medical packaging industry in Asia Pacific is projected to witness significant growth over the next eight (8) years owing to various developments across major economies and increasing per capita

income. The regional market in terms of revenue is expected to grow at a CAGR of 5.2% from 2017 to 2025.

### **Global thermoformed plastics market revenue by application, 2016**

Automotive segment emerged as the fastest growing application segment in 2016. Increasing use of the product in this sector for its durability, reusable carts, and light-weight vehicle parts is projected to fuel the market growth over the forecast period. Increasing demand for automotive panels, liners, and vehicle parts is expected to spur the market from 2017 to 2025.

North America was the leading thermoformed plastics regional segment and accounted for around 53% of the total revenue in 2016. Rapid industrialization and growing packaging industry is projected to propel the market over the forecast period. Increasing manufacturers and suppliers of thermoformed plastic products in this region is expected to boost the industry growth. The U.S. is the significant market for producing thermoformed packaging followed by Canada. Asia Pacific is expected to be the fastest growing regional segment. Emerging economies in a region including India and China have been experiencing strong economic growth. Increasing population and disposable income have spurred the market demand in medical device packaging, automotive parts, and construction sectors. China is the largest producer and supplier of thermoformed plastics, equipment using different types of technologies in this region. China's rapid urbanization is supported by strong economic growth. Increasing per capita disposable income in this region is projected to propel the market over the forecast period. Asia Pacific was the accounted for around 14% of the overall revenue in 2016. Rising developmental activities in Asia Pacific in the production of thermoformed plastic products is projected to propel the market over the forecast period.

Increasing company product offerings for the end-use industries such as medical, food packaging, electrical & electronics, consumer & commercial sector, automotive, construction, and pharmaceuticals are expected to be a key parameter for being competitive in this market. Rising mergers and acquisitions being undertaken as an attempt to strengthen the presence and gain industry share.

The global thermoformed plastics market is driven by the large application of thermoformed plastic in food packaging. As food packaging requires superior quality packaging materials to ensure protection against moisture, odor, and bacteria, which is provided by thermoplastics, their demand is significantly high in the food industry.

Thermoformed plastics have a wide range of applications and are also cost-effective, which have significantly aided in the market's expansion over the last few years. The food industry is a major application segment of the market which is expected to drive global demand over the forecast period. Thermoform plastics used in this industry are less in weight, flexible, restrain to bacteria, and odor & moisture free in comparison to other packaging materials on account of which they are preferred over others such as wood and glass.

Due to the changing lifestyle and increasing disposable income, consumers across China and India have been exhibiting high demand for packaged food. Given the scenario, both these countries have emerged as lucrative markets for thermoformed plastics. Besides this, the report has also identified increasing scope for the application for thermoforming process as manufacturers look to replace injection molding process owing to the lower cost incurred on tooling and benefits of high-speed production. Spurred by these factors, the demand for thermoformed plastics is expected to increase in developed and emerging markets alike.

### **Market Growth**

The global thermoformed plastics market will grow progressively and post a CAGR of approximately 5.2% by 2020. The increasing usage of thermoformed plastics in food and healthcare packaging will be one of the

primary drivers for this market. Thermoformed plastics in the form of clamshells will be used extensively in the food packaging industries because of its superior resistance to bacteria, odor, and moisture. Furthermore, the injection molded plastics will be used for the manufacturing of medical disposables and medical devices because of their unique engineering and designing properties including surgical gloves, plastic scissors, and urology disposables.

Market analysts predict that the Americas will be the fastest growing market and will post a CAGR of around 5% by 2020. Among all the regions in the Americas, the U.S. is envisaged to be the largest consumer of thermoformed plastics. The government in this region has implemented strict regulations to control emissions from vehicles. The implementation of such regulations has led to the replacement of metal parts with engineering plastics. Furthermore, with the extensive use thermoformed plastics in the packaging industry, the market in the Americas will exhibit strong growth over the next few years.

The market is highly competitive and is dominated by a few major players. The manufacturers will invest in technological innovations and the development of products with thick and thin gauge thermoforming, vacuum forming, pressure forming, and plug assist. Additionally, many vendors will be shifting their focus towards the productions of bio-derived, bio-degradable, and recyclable polymers as alternatives to conventional petroleum-based polymers. The adoption of new and improved technologies and the preference for uniformity in products will help sellers sustain the level of competition in the market during the period of next four years. During 2015, the polyethylene terephthalate segment dominated the market by accounting for approximately 40% of the total market share. The increasing applications of polyethylene terephthalate based thermoformed plastics in sectors such as personal care, medical, food, and other consumer product packaging will be one of the primary factors contributing to the growth of this segment.

In the food packaging segment, many vendors are focusing on producing products with durable quality designs and exceptional clarity and are also providing seals for industries dealing in disposable food packaging containers. This change in the vendors' production preferences will aid in the growth of the food packaging application segment during the next four years.

In 2015, with a market share of approximately 45%, Americas dominated the global thermoformed plastics market, followed by EMEA with 33% and APAC with around 22%.

The consumption of thermoformed plastics in the Americas is expected to exceed 2 Mn metric tons by 2020, growing at a CAGR of more than 5%. The region is the largest consumer of thermoformed plastics, with the US as the major consumer. Regulations to control emissions from vehicles and increased replacement of metal parts with engineering plastics are the major drivers for the market growth. In the Americas, a large proportion of thermoformed plastics are used in the packaging industry. The growing population of the elderly in the US (14.5% of the US population is 65 years or older), increased use of disposable products, the importance of child-resistant and senior-friendly packaging, and the rise in tamper-evident packaging as well as contract packaging are the main factors driving the demand for thermoformed plastics in the Americas.

### **Consumption forecast**

The consumption of thermoformed plastics in EMEA is expected to reach 1.5 Mn metric tons by 2020, growing at a CAGR of close to 5%. The market for thermoformed plastics in EMEA is expected to grow steadily during the forecast period. France, Germany, and the UK are the major consumers of thermoformed plastics in the region. The increased use of high-performance engineering plastics in automobiles and in electrical and electronics applications is propelling market growth in the region. The consumption of thermoformed plastics in APAC will exceed 986 thousand metric tons by 2020, growing at a CAGR of more than 4%. The market for thermoformed plastics is expected to post robust growth in APAC. The growth in the manufacturing sector, especially in developing economies such as China and India, will drive the market growth in the region. The

electronic industry in APAC is expected to grow at 4.5%-5.5% during the forecast period. Further, the rise in disposable incomes and changes in lifestyle are fostering the market for packaged foods in these countries, thereby increasing the consumption of thermoformed plastic food containers.

However, the fluctuating cost of crude oil, the primary source of raw material for the production of thermoformed plastics, is a major challenge for manufacturers of thermoformed plastic products in the region.

### **Indian dairy market overview**

India has the largest population in the world with a processing capacity of 98.3 million litres per day. Over the past two (2) decades, dairy farming has progressed towards emerging as an organised industry that encompasses not only increased production of milk and milk products, but also the breeding of high- yielding cattle, scientific animal rearing and customised feed production.

Dairy activities are traditionally integral to India's rural economy; the country ranks as the world's largest producer and consumer of dairy products with a 19% share. More than 90% of India's milk production is concentrated in fourteen (14) states (the top five (5) being Uttar Pradesh, Rajasthan, Andhra Pradesh, Gujarat and Punjab).

Currently, 15% of the average households' food expenditure is on milk or milk-based products. The offtake of milk and milk-based products has increased not only in cities but also in small towns and rural areas due to the increased demand for quality products and growing health consciousness.

India's combined butter and ghee production for 2017 is estimated to rise 3.8% to 5.4 million metric tonnes. Milk sales went up by 2.81% in December 2016 on a y-o-y basis from 321 Lakhs litres per day to 329 Lakhs litres. The last six months of 2016 saw milk production decline ~15% and milk prices increase Rs.4-5 per litre. The prices of milk-based products strengthened 4.69%. The ice cream market in India is pegged to grow at a five-year CAGR of 17.03% till 2021 – from US\$1.5 Bn. to \$3.4 Bn. in 2021.

Several factors are responsible for an increasing number of international and domestic ice cream brands entering the market: improved cold storage facilities, changing consumer tastes, younger population and an increase in disposable incomes.

The Indian paneer industry's total output reached 1.6 million metric tonnes in 2016. Skimmed milk powder exports from India reached 1,542 metric tonnes while non-fat dry milk production levels were estimated at 570,000 metric tonnes.

In 2016, there were 75 million dairy farmers, with only 40% in the organized sector. The value of milk procured by village level dairy coop societies stood at Rs. 120 crore per day. The total milk procurement was 850 Lakhs litres per day (co-op sector, private: 425 Lakhs litres). Ghee represented the second largest (~13%) consumed dairy product in India after milk and is expected to grow at a six year CAGR of 17% till 2020.

*(Source: NDDB, USDA, Business Today, dairymtechindia.com, in dairy asso. org, Business Wire, Economic Times, IMARC).*

### **Growth drivers**

Increasing per capita incomes: Consumer expenditures in the Tier-II and Tier-III cities are rising at a rate of approx. 14% and in the metros at a rate of around 12% per annum. Moreover, improved health consciousness has contributed to a visible increase in the demand of qualitatively consistent products. Result: The Indian dairy industry is anticipated to reach a market size of US\$ 118 Bn. in 2017.

## **DEMAND DRIVERS FOR THE INDUSTRY**

### **Key growth drivers for packaging industry**

Indian packaging industry is fragmented with unorganized players having a larger share of the segment. However, with increasing awareness, better products and shrinking cost advantages, the industry is expected to tilt towards organized players. According to the Institute of Packaging (IIP), the packaging sector in 2015 was valued at US\$32 Bn. and is expected to reach US\$73 Bn. by 2020. India's per capita packaging consumption is a mere 4.3kg, while other developing countries like China/Taiwan/Germany have approx. 6/19/42kg per capita consumption respectively.

The Indian packaging industry which witnessed a CAGR growth of approx. 16% over FY10-FY15 is expected to grow at 18% over FY15-FY20 due to the following factors:

- Rise of organized retail;
- Growth in smaller packages due to nuclear family and increasing rural penetration;
- Demand for better packaging resulting from e-commerce boom;
- Growing trend of packed foods to increase shelf life of food products;
- Packaging being used as a branding tool;
- Growing penetration of packaged food driven by new applications in food retailing, higher disposable incomes;
- New converting and packaging equipment, which have increased applications of poly films.

India's fast growing and increasingly sophisticated middle class is driving demand for an ever growing range of higher value processed food products which utilize flexible packaging. Currently barely 5% of food in India reaches the consumer in pre-packaged form.

### **Other Demand Drivers:**

#### **1. Urbanization:**

Modern technology is now an integral part of nation's society today with high-end package usage increasing rapidly. As consumerism is rising, rural India is also slowly changing into more of an urban society. The liberalization of the Indian economy, coupled with globalization and the influx of the multi-nationals, has improved the quality of all types of primary and secondary packaging. Also industrialization and expected emergence of the organized retail industry is fuelling the growth of packaging industry.

#### **2. Increasing Health Consciousness:**

As people are becoming more health conscious, there is a growing trend towards well packed, branded products rather than the loose and unpackaged formats. Today even a common man is conscious about the food intake he consumes in day-to-day life.

#### **3. Changing Food Habits amongst Indians:**

Changing lifestyles and lesser time to spend in kitchens are resulting in more incidence of eating away from homes resulting in explosive growth of restaurants and fast food outlets all over the country. Indians are trying out newer cuisines and also purchasing similar food items for their homes. Therefore, the review period has

seen new products like pasta, soups, and noodles being launched in India, fuelling the growth of packaging industry in India.

#### **4. Personal health consciousness amongst Indians:**

With growing awareness towards contagious diseases, awareness towards usage of contraceptives and disposables syringes have increased the demand for packaging required for the same.

#### **5. Increase in Rural Consumption leads to growth in retail sector:**

India comprises of a big rural market and there has been growing focus on rural marketing. Rural consumption has increased, led by a combination of increasing incomes and higher aspiration levels; there is an increased demand for branded products in rural India.

#### **Disclaimer**

The CARE Advisory Report, February 2018 is subject to the following disclaimer:

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## BUSINESS OVERVIEW

*Some of the information in the following section, especially information with respect to our plans and strategies, contain certain forward-looking statements that involve risks and uncertainties. You should read the chapter titled “Forward Looking Statements” beginning on page 16 of this Draft Red Herring Prospectus for a discussion of the risks and uncertainties related to those statements and the section titled “Risk Factors” beginning on page 20 of this Draft Red Herring Prospectus for a discussion of certain risks that may affect our business, financial condition, or results of operations. Our actual results may differ materially from those expressed in, or implied by these forward-looking statements.*

*Unless otherwise stated, or the context otherwise requires, the financial information used in this section is derived from our restated Financial Statements included on page 188 of this Draft Red Herring Prospectus.*

### Business Overview

With more than a decade of experience, we are one of the leaders in manufacturing of rigid plastic sheets and thermoformed packaging products (*source: CARE Advisory Report, February 2018*) to the industry segment we cater to. We aim to continue to build our strengths in the field of rigid and semi-rigid plastic sheets and plastic packaging products. We manufacture customized thermoformed packaging products which are tailored to the client’s requirements. Our products range from yoghurt & ice cream containers, food packing, QSRs, coffee cups, bakery products and confectioneries, beverage cups & containers, generic bowls, punnets & trays for fruits and vegetable packing, lids etc. We have a wide range of sizes and designs to meet the customers’ need. Our incessant commitment to design and development continues to add new products to our existing product-line.

With an annual capacity of over 10,000 MT and more than 100 products, we are fundamentally committed to the ongoing technical advancement, whilst aiming to stay updated on the technology used in our business. Our manufacturing facility (Factory Unit - II) at Daman has been equipped with the state of the art machinery.

In the year 2004-05, we believe we were one of the early ones to introduce 6-colour printing in dry offset technology in our industry in the Indian market. In the year 2008-09, we believe we introduced alternate decoration technology of shrink sleeving on cups and containers which has grown extensively since then. This has helped our distinguished customers to provide a better and a more attractive product to their consumers.

We have constantly strived to grow and improve our business. From a modest set up when we started our business in 2003-04, we are presently operating out of three (3) manufacturing facilities. For details regarding our history and major milestones, please refer to the chapter titled “*History and Certain Corporate Matters*” beginning on page 156 of this Draft Red Herring Prospectus.

For Fiscals 2017, 2016 and 2015, our revenue from operations was Rs. 9,506.04 Lakhs, Rs. 9,503.14 Lakhs and Rs. 6,484.37 Lakhs, respectively, representing a CAGR of 21.08% during the last three (3) Fiscals. For Fiscals 2017, 2016 and 2015, our net profit was Rs. 877.90 Lakhs, Rs. 794.24 Lakhs and Rs. 72.38 Lakhs, respectively, representing a CAGR of 248.27% during the last three (3) Fiscals. For Fiscals 2017, 2016 and 2015, our EBITDA was Rs. 2,133.30 Lakhs, Rs. 2,017.14 Lakhs and Rs. 879.59 Lakhs, respectively, representing a CAGR of 55.73% during the last three (3) Fiscals. As on the date of this Draft Red Herring Prospectus, our long-term bank facilities are rated CARE BBB+ and our short-term bank facilities are rated CARE A3+.

## Our business and products

Packaging is a vital communicator with the customer/consumer, it plays a major role in giving a distinctive look and preserving the flavours and hygiene of the products which also protects the contents. Further, distinctive packaging also stands out whilst transporting the products. We provide rigid plastic packaging products (along with lids) in various shapes and sizes. We have a diversified range of products that cater to the dairy products, confectionaries, beverages, FMCG, QSR and the retail sector.

Our product range includes cups for cheese, yoghurt & curd, ice cream and desserts, packaging of juice, beverages and water, rectangular meal trays, trays for sweets and confectionaries, generic bowls, rectangular hinged containers, clear cups – PET, clear cups – PP, plates and barrier PP products.

A product wise breakdown of the industry / segment catered to by us is as under:

Products	Industry / segment catered to
Drinking cups	Packaged drinking water; juices; beverages
Containers / curd / yoghurt cups	Dairy products; restaurants (in-house and take-away)
Ice-cream cups / containers	FMCG; dairy products
Plates / trays	Restaurants (in-house and take-away); QSR
Bowls	Restaurants (in-house and take-away); QSR
Lids	Dairy products; restaurants (in-house and take-away)
Hinged containers	Confectionaries

We also specialize in customized products and the products are manufactured in various sizes as per the needs of the customers. The shapes and sizes of the entire product range can be customized based on the product specification and customer's requirements. We strive to ensure excellent shelf visibility with various decorations/design options like printing and sleeving. In addition to this, we constantly strive to improve our materials so as to ensure higher shelf life for our customers' products.

We also produce rigid plastic sheets of PP / APET / GPET and HIPS, which are sold for 'form filled sealed' (FFS) application, for box making and for vacuum forming applications.

## Our Strengths

We believe that the following are our primary strengths:

### *Consistent track record of organic growth*

Over time we have grown organically starting from one (1) manufacturing facility in Daman to now operating three (3) manufacturing facilities.

Our record of growth is demonstrated by the fact that we have consistently improved our total revenues and profitability through the successful expansion of our customer base, our focus on quality, our ability to manage costs and our short production cycle.

From FY 2015 to FY 2017, our total revenues grew at a CAGR of 21.61%. Not only have we grown our revenues in each of the last three (3) years, but we have also succeeded in increasing our PAT margins. Our PAT margin increased from 1.12% in FY 2015 to 8.36% in FY 2016 and 9.24% in FY 2017.



While we have grown rapidly in recent years, we have managed to maintain a deleveraged balance sheet. Our debt to equity ratios for FY 2017, FY 2016 and FY 2015 were 0.53, 0.84 and 1.15, respectively.

Our average return on equity in FY 2017, FY 2016 and FY 2015 were 24.82%, 28.69% and 3.06% respectively.

***We are one of the leaders in manufacturing of rigid plastic sheets and thermoformed packaging products to the industry segment we cater to in India***

We are one of the leaders in manufacturing of rigid plastic sheets and thermoformed packaging products (source: CARE Advisory Report, February 2018) to the industry segment we cater to. We have a wide range of product portfolio that caters to many sectors, leading to customer satisfaction and diversification of our customer base.

By being technologically adaptive, we continuously strive to provide our customers with the latest product offering so as to build our relationship with them and try and achieve higher volumes with better profitability.

***Strong customer relationships with a wide variety of industry players***

Our customers include players from dairy products, beverages, QSR, FMCGs, confectionaries and the packaging sector. Our largest customer for Fiscal 2017 has been a customer of our Company since 2014. We enjoy long term business relations with most of our customers.

Key focus of our business is on quality, cost and service. We aim to provide our customers with a quality product along with a timely turnaround of problem resolution and handling of customer complaints. By doing so, we believe that we are able to deepen our customer relationships to become their preferred suppliers. We are continually working on value engineering solutions for our customers, in designing our products by optimizing cost and sharing the cost savings with our customers.

We seek to maintain strong relationships with our suppliers in order to derive better insights into the markets for our raw materials, which helps us to manage our raw material supply chain and inventory, resulting in greater predictability of supply and, consequently, a greater ability to meet production schedules and achieve on-time delivery for our customers.

As a result of our customer centric approach, introduction of new materials, technological advancement and innovative product designs with multiple decoration options, we have succeeded in expanding our customer base over the years with better margins.

***Experienced management team***

The Company has an experienced management team which is complemented by a committed workforce. The management team comprises of professionals like Ramswaroop Radheshyam Thard (Chairman & Managing Director), Naresh Radheshyam Thard (Joint Managing Director), Yogesh Shahane (General Manager – Factory Unit II), Sunil Sawarmal Sharma (Chief Financial Officer), Manoj Mistry (Head of Marketing – Institutional) and Mod Narayan Jha (Head of Marketing – Co-operative Dairies) amongst others who have contributed to the growth of the Company. For a brief profile of the Key Managerial Personnel, please refer to the section titled “*Our Management*” beginning on page 164 of this Draft Red Herring Prospectus.

Our Company believes that it has been successful in building a team of talented professionals and encourages its employees to be enterprising. We constantly strive to provide training to our workforce so that they grow within our organization.

### ***Relatively insulated against seasonality***

By virtue of supplying to multiple sectors, we believe that we are relatively insulated against seasonality, as each segment is active at different points throughout the year.

### ***Efficient infrastructure and resources management with strict quality control standards***

Our Company has successfully managed growth by investing in advanced technology, human resources, state of the art infrastructure and fully equipped in-house laboratories with various testing equipments. We adapt to GMP and our facilities are BRC certified.

### ***Adaptation to new technologies***

The Company has always strived to be adaptive to new technologies and latest machinery and have invested in the state of the art extrusion, thermoforming and printing machines. Wifag Polytype AG (one of our shareholders) having a global presence in this industry, have added a lot of value in strengthening our knowledge base and keeping us updated and adaptive to new technologies.

### ***Co-development of products***

We regularly undertake product co-development initiatives jointly with our customers, based on their specifications. Specific examples include: (i) the development of beverage packaging for one of the prominent beverage (non-alcoholic) producers in India, (ii) the development of packaging for one of the top selling products of a major confectionery (chocolate) brand and (iii) the development of an award winning packaging for one of the biggest cereal manufacturers in India. We constantly strive to improve materials, designs & decorations, so that our customers receive the highest quality product.

### ***Operations out of Daman***

Our three (3) manufacturing facilities are located in Daman, which in many ways was a strategic decision for us. By operating our manufacturing facilities out of Daman, our proximity to north India and south India is equally coverable. Within a radius of 1,200 kms. from Daman, we are able to serve a substantial length of our country. Additionally, the cost of power at Daman is relatively low compared to other states in India, which helps to keep our production costs down.

## **Our Strategies**

### ***Focus on operational efficiencies to improve returns***

Offering quality products at attractive prices is a key aspect of maintaining and expanding our relationships with our customers. To that end, we have adopted a number of initiatives designed to improve our cost efficiency, and as one of our primary business strategies we intend to continue improving cost efficiencies. We have improved our average RoCE from 9.85% in FY 2015 to 27.87% in FY 2017.

We have adopted certain measures across all our manufacturing facilities to improve our operational efficiency and the reliability of our manufacturing processes by lowering machine break downs, wastages and rejections. Our processes have helped us to meet our customers' expectations on quality, cost and service and have further helped to reduce customer complaints.

Our size and scale enable us to produce greater volumes of products from each of our facilities and spread our fixed costs, more widely to reduce our production costs on a per unit basis, allowing us to reduce our unit sales price and increase our competitiveness.

We intend to use a variety of other manufacturing strategies, sourcing strategies and cost reduction strategies to continue to improve our operational efficiencies. For example, we plan to: (i) install machines with higher productivity; (ii) implement appropriate automation to reduce manpower cost; (iii) improve energy conservation measures; (iv) rationalise our manpower requirements; (v) actively work towards optimization of process and reduce wastages that help reduce production costs; and (vi) periodically review our vendor base so that we secure the best cost amongst the available vendors that meet our quality requirements.

#### ***Continually co-develop products with our key customers***

We will continue to co-develop products with our customers as we have done in the past. We feel this helps in strengthening our relationship with the customers and increases their confidence in us. Additionally, product co-development ensures better transparency which helps us in gaining customers' trust.

#### ***Focus on products, raw material and process that results in higher margin***

We will continually look to improve our product margins by considering alternate raw material products, improvement in processes and adoption of newer technologies. By executing such strategies, we are able to provide a host of decorative and design options, which are likely to improve our margins.

#### ***Expand our customer base to US and UK and further increase our footprint in the Middle East***

We intend to expand our customer base to US and UK and increase our footprint in the Middle East. We feel there is a large potential / market for us to explore and supply our products. We will continue to explore all such options which help in increasing our customer base and diversify over different geographies and markets.

#### **Our manufacturing facilities**

Presently, our Company operates out of three (3) manufacturing facilities: (a) Factory Unit – I is located at Survey No. 37/2, Plot No. 32 and 33, Silver Industrial Estate, Village Bhimpore, Daman- 396 210; (b) Factory Unit – II is located at Plot No. 370/2(3), Near PSL, Vapi Road, Village Kachigam, Daman- 396 210, and (c) Factory Unit – III is located at Survey No. 184/1 (39), Panchal Industrial Estate, Village Bhimpore, Daman - 396 210. Our manufacturing facilities are well maintained and we adapt to GMP and are BRC certified. Each facility is equipped with an independent quality control department that ensures production to the highest standard.

Factory Unit I and II are owned by our Company, and Factory Unit III has been taken on lease.

Our manufacturing facilities are equipped with various machines for extrusion, thermoforming, printing, sleeving, vast collection of moulds, dies & tools and other ancillary machines.

Following are the details of the machines that are available in our manufacturing facilities:

##### **Extrusion Machines**

Extrusion is an initial and a vital process, since it helps us in producing sheets of various materials, sizes and colours.

Our manufacturing facilities are equipped with a series of extruders, indigenous, as well as imported. The total extrusion capacity is over 10,000 MT p.a. These extruders are capable to process PS, PP and PET materials. The machines are equipped with automated feeding and dosing systems, melt pump, online thickness gauge monitoring, etc. which are few of the features enabling us to produce high quality and multiple layer sheets.

#### Thermoforming Machines

We have a series of thermoforming machines indigenous, as well as imported. Additionally, our facilities are equipped with a vast collection of moulds that can manufacture more than 100 types of products in various shapes and sizes. We have the ability to process PS, PP and PET materials. Some of the features of these machines include pre-heaters, servo plug assist, accurate mould temperature control, auto stacking of thermoformed parts, in-line skeleton grinder etc. which allows us to offer superior and consistent quality products with minimum human intervention.

#### Decoration

Decoration plays a vital role in making the product attractive and informative, apart from creating visibility. It is an important aspect of packaging. When the product is displayed on the shelf, the first thing that would attract the customer will be the packaging. We are equipped with the desired machinery that creates attractive graphics which makes the product stand out from the competition. Currently, we are equipped with two (2) different decorative technologies i.e. dry offset printing and sleeving.

##### A. Dry Offset Printing

We are equipped with a series of printing machines both indigenous and Swiss made, which can print up to eight (8) colors. Graphics with half tone images can be printed with higher accuracy. Further, we ensure consistent quality by using food grade UV inks. We also have an in-house graphic design department to offer quick service and support to our customers. Some of the features of the machines include 'no cup no print system', auto-loading and auto stacking of cups, pre-registered metal based printing plates and temperature controlled ink stations.

##### B. Sleeving

Sleeving technology is used for better aesthetics and for shorter run products. Our sleeving machines are custom designed and are equipped with auto loading of cup, auto sleeve application, auto stacking and counting of cups.

#### Ancillary Machines

We have various types of ancillary machines to support the production process like air compressor, cooling tower, chilling plant, grinder, mixer etc.

We consider all our machines and manufacturing facilities to be in good condition.

For consolidated details of our installed (derived) capacity and the capacity utilization of our Company, please refer the table below:

Particulars	Installed capacity at the end of year/period	Effective installed capacity for the year/period	Production during the year/period	Effective capacity utilisation %
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	A	B	C	D = C/B
<b>Extrusion (In MT per year / period)</b>				
September 30, 2017	5,100	5,100	4,217	82.68%
FY 16-17	10,200	8,750	7,412	84.71%
FY 15-16	7,200	7,200	6,643	92.26%
FY 14-15	6,900	6,900	4,905	71.09%
<b>Thermoforming (In MT per year / period)</b>				
September 30, 2017	2,160	2,160	1,667	77.18%
FY 16-17	4,320	3,933	3,001	76.32%
FY 15-16	3,348	3,348	2,614	78.08%
FY 14-15	3,348	3,348	1,896	56.62%
<b>Printing (Pieces in Lakhs per year / period)</b>				
September 30, 2017	2,574	2,574	2,159	83.89%
FY 16-17	5,148	4,537	3,837	84.59%
FY 15-16	3,700	3,700	3,519	95.11%
FY 14-15	3,500	3,500	2,584	73.82%
<b>Sleeving (Pieces in Lakhs per year / period)</b>				
September 30, 2017	413	413	399	96.63%
FY 16-17	825	763	534	70.04%
FY 15-16	450	450	261	57.98%
FY 14-15	450	450	125	27.68%

#### **FACTORY UNIT- I**

Particulars	Installed capacity at the end of year/period	Effective installed capacity for the year/period	Production during the year/period	Effective capacity utilisation %
	A	B	C	D = C/B
<b>Extrusion (In MT per year / period)</b>				
September 30, 2017	1,650	1,650	1,390	84.22%
FY 16-17	3,300	3,300	2,645	80.15%
FY 15-16	3,300	3,300	2,997	90.81%
FY 14-15	3,300	3,300	2,702	81.89%
<b>Thermoforming (In MT per year / period)</b>				
September 30, 2017	990	990	737	74.44%
FY 16-17	1,980	1,980	1,371	69.24%
FY 15-16	1,980	1,980	1,508	76.17%
FY 14-15	1,980	1,980	1,344	67.89%
<b>Printing (Pieces in Lakhs per year / period)</b>				
September 30, 2017	900	900	851	94.58%
FY 16-17	1,800	1,800	1,564	86.88%
FY 15-16	2,200	2,200	2,185	99.30%
FY 14-15	2,000	2,000	1,909	95.46%
<b>Sleeving (Pieces in Lakhs per year / period)</b>				
September 30, 2017	113	113	101	90.02%
FY 16-17	225	225	203	90.41%
FY 15-16	225	225	213	94.56%
FY 14-15	225	225	114	50.83%

**FACTORY UNIT – II**

Particulars	Installed capacity at the end of year/period	Effective installed capacity for the year/period	Production during the year/period	Effective capacity utilisation %
	A	B	C	D = C/B
<b>Extrusion (In MT per year / period)</b>				
September 30, 2017	3,150	3,150	2,570	81.59%
FY 16-17	6,300	4,900	4,551	92.88%
FY 15-16	3,900	3,900	3,646	93.49%
FY 14-15	3,600	3,600	2,202	61.18%
<b>Thermoforming (In MT per year / period)</b>				
September 30, 2017	990	990	770	77.78%
FY 16-17	1,980	1,623	1,513	93.19%
FY 15-16	1,368	1,368	1,106	80.86%
FY 14-15	1,368	1,368	552	40.31%
<b>Printing (Pieces in Lakhs per year / period)</b>				
September 30, 2017	1299	1299	958	73.72%
FY 16-17	2598	2049	1978	96.54%
FY 15-16	1500	1500	1335	88.97%
FY 14-15	1500	1500	675	44.97%
<b>Sleeving (Pieces in Lakhs per year / period)</b>				
September 30, 2017	113	113	113	100.00%
FY 16-17	225	225	179	79.41%
FY 15-16	225	225	48	21.40%
FY 14-15	225	225	10	4.53%

**FACTORY UNIT – III**

Particulars	Installed capacity at the end of year/period	Effective installed capacity for the year/period	Production during the year/period	Effective capacity utilisation %
	A	B	C	D = C/B
<b>Extrusion (In MT per year / period)</b>				
September 30, 2017	300	300	257	85.68%
FY 16-17	600	550	217	39.39%
FY 15-16	-	-	-	NA
FY 14-15	-	-	-	NA
<b>Thermoforming (In MT per year / period)</b>				
September 30, 2017	180	180	160	88.89%
FY 16-17	360	330	118	35.78%
FY 15-16	-	-	-	NA
FY 14-15	-	-	-	NA
<b>Printing (Pieces in Lakhs per year / period)</b>				
September 30, 2017	375	375	351	93.47%
FY 16-17	750	688	295	42.98%

FY 15-16	-	-	-	NA
FY 14-15	-	-	-	NA
<b>Sleeving (Pieces in Lakhs per year / period)</b>				
September 30, 2017	188	188	185	98.56%
FY 16-17	375	313	152	48.63%
FY 15-16	-	-	-	NA
FY 14-15	-	-	-	NA

### Details about our proposed facility

We intend to set up another facility, 'Factory Unit – IV' which will undertake manufacturing of rigid plastic sheets and thermoformed packaging products. The Company has entered into a lease deed with Gagan Packaging Private Limited on March 23, 2018 to occupy the premise located at Survey no. 370/2, Village Kachigam, Nani Daman for a period of sixteen (16) years nine (9) months. The said lease deed may be inspected at the Registered Office between 10 a.m. and 5 p.m. (IST) on all Working Days from the date of this Draft Red Herring Prospectus until the Bid/Issue Closing Date.

Our Company intends to purchase the machines for the purpose of printing and sleeving at the proposed facility. For details on the machine proposed to be purchased please refer to chapter titled "*Objects of the Issue*" beginning on page 84 of this Draft Red Herring Prospectus.

The machinery to be installed at the proposed manufacturing facility will create additional capacities for our Company. For further details on capacity of the proposed machinery, please refer chapter titled "*Objects of the Issue*" beginning on page 84 of this Draft Red Herring Prospectus. We expect to commission this manufacturing facility by October 2019.

Our Company would be required to purchase machineries and obtain a number of government approvals and licenses for operating at the proposed facility, which the Company will place order for / apply for at the appropriate time. For risk pertaining to machinery to be ordered and licenses yet to be applied for, kindly refer section titled "*Risk Factors*" beginning on page 20 of this Draft Red Herring Prospectus.

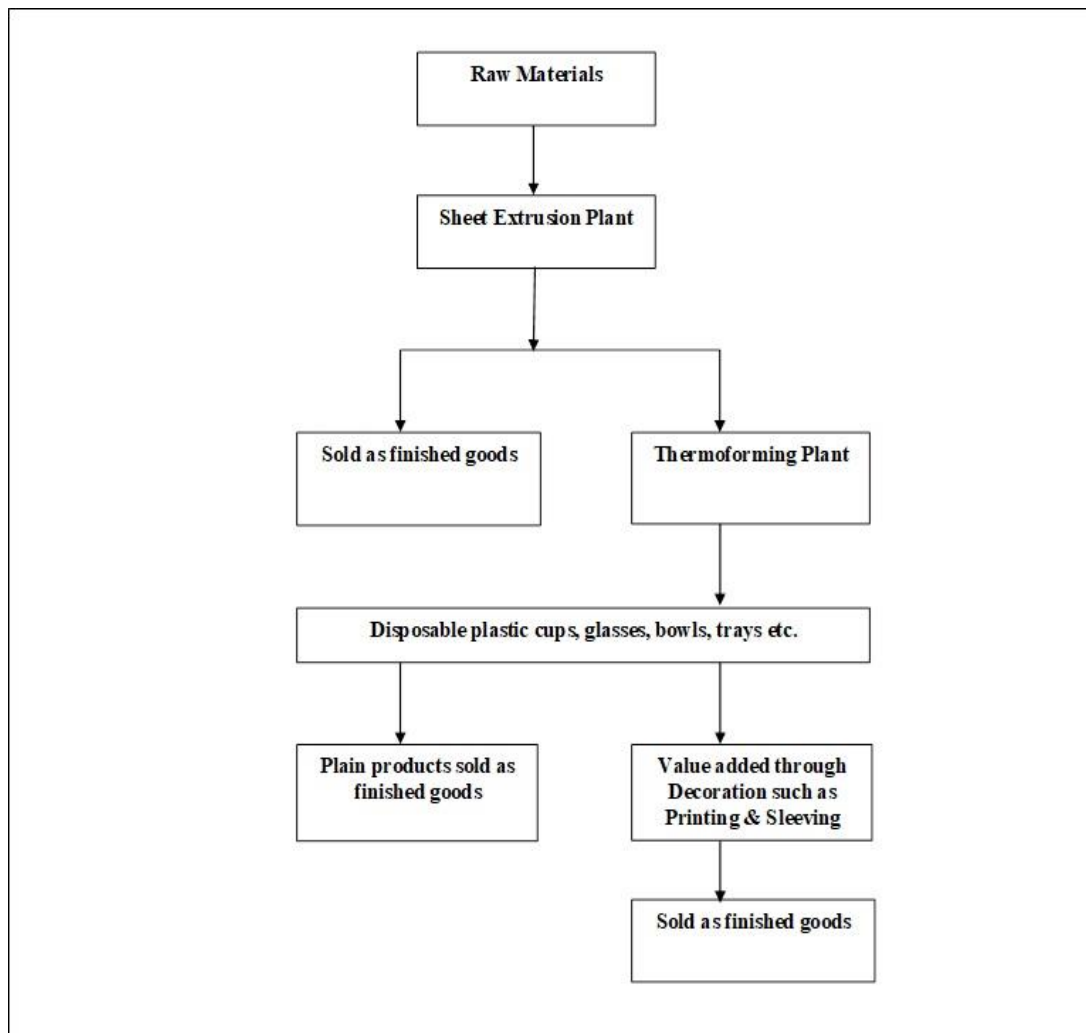
### Our work process

Our work process involves extrusion of sheets as per the desired specification. These sheets are sold as finished goods and are also used for captive consumption in the thermoforming process to produce products of various sizes and designs. These products are sold as plain products and are also decorated by dry offset printing or shrink sleeving process.

The main machines involved in the above process are:

- a) Extrusion machines;
- b) Thermoforming machines and moulds;
- c) Decoration, i.e., printing and sleeving machines; and
- d) Ancillary equipments like chiller, air compressor, grinder & cooling tower etc.

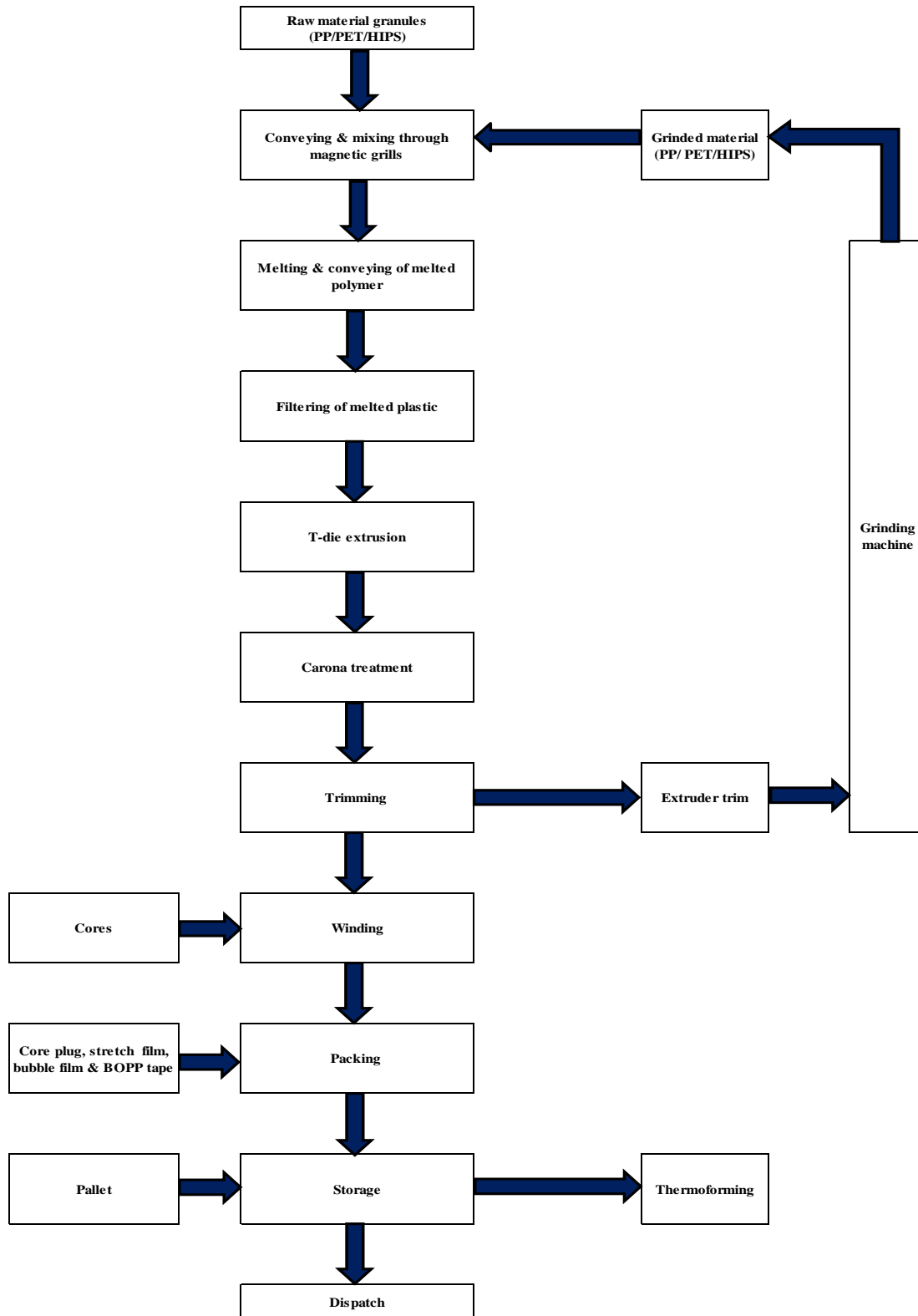
Please refer to the flow-chart below for details on step-by-step process:



The details of each stage of manufacturing is given as under:

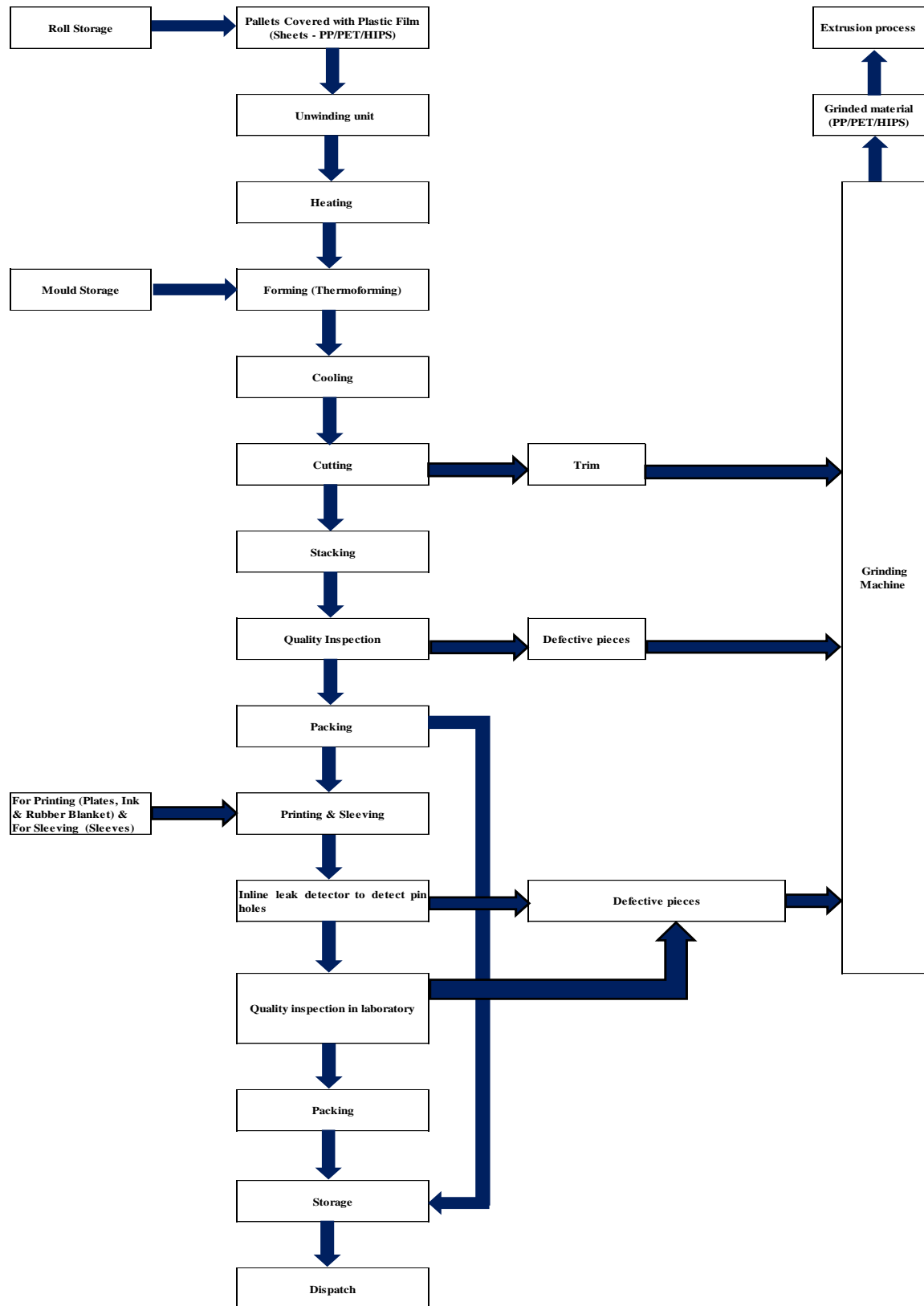
## 1. Extrusion





- The main raw material, master batch and in-house recycled material, is mixed in the desired proportion with auto weighing, auto blending and is automatically fed into the hopper of the extruder and subsequently the material passes through a screw and barrel system where it is processed at the desired set temperature;
- The temperature of the heater is controlled within an accuracy of  $\pm 2^{\circ}$  C with the help of a closed loop temperature controller which is monitored and controlled on the control panel;
- We can produce mono layer or multi-layer sheets. The material coming from the various extruders can be adjusted in different layers with the help of feed block;
- The material then passes through the T-die, which can be adjusted to obtain the desired thickness & width;
- These sheets then pass through the calendaring unit which is a set of polished rollers, which cools the sheets and imparts a gloss to the sheets;
- These sheets then pass through the 'take off unit' to the winder station.

## **2. Thermoforming**



- The sheets manufactured on the extruder are fed as a raw-material to the forming machine;
- These rolls are unwound by the un-winder station and then moved by the sheet conveying chain mechanism;
- These sheets are passed through the heating station, which is a bank of infrared ceramic heaters, which is controlled by a PLC controlled temperature controller;
- These sheets are heated to the desired temperature for a preset time, which is then conveyed to the forming station. The various steps of the process takes place at the forming station like pre-forming, forming, cutting and ejection;
- The mould is mounted on the forming area in the forming station;
- The material is formed and removed for further processing / packing.

### **3. Dry offset printing**

- The cups are fed on the mandrel by an automatic un-loader unit;
- There are eight (8) mandrel holders on the turret. These turrets are driven by a specially designed indexing unit. The mandrel on the mandrel holder is as per the design of the article, so the articles of various shapes and sizes can be printed here;
- The printing station is a 8-colour UV printing unit;
- The printing ink is fed into the ink station. The ink is mixed and meshed through various rollers like dab roller, rider roller and oscillating rollers;
- The plate cylinder holds the printing plate. These plates can be changed as per the designs;
- The matter from the plate roller is transferred to the blanket of the blanket roller, which is finally transferred to the article loaded on the mandrel;
- After the printing process is completed, the article is dried by the UV light. The drying takes place on the mandrel itself;
- The article is then collected for packing and dispatch.

### **4. Ancillary Machines**

We have various types of ancillary machines to support the production process like air compressor, cooling tower, chilling plant, grinder, mixer etc.

### **Sales and marketing**

We have a sales and marketing team and process in place. As on January 31, 2018, our dedicated sales and marketing team consists of nine (9) employees. Marketing efforts are approved by our senior management personnel on a case to case basis.

Leads for domestic & export sales are generated by the marketing team from various sources such as reference by distributors, commission agents, market visits, exhibitions, online portals, etc. and monitored by our senior management personnel directly.

Customers are taken on board based on market enquiries, review of financial statements and references. Our Company insists on 100% advance payments from new customers to cover the risk of 'back-out' or non-payment. Complete customer details are obtained by the marketing team so as to inform the senior management personnel about the same.

For institutional, dairy products, MNCs and export sales, prices are quoted based on specifications approved by customers and are subsequently negotiated by our marketing team. In some cases, specifically for institutional and dairy product sales, we have to fill up tenders online and all such documents are kept in our record.

For the general market, quotations and confirmations are provided either via email or verbally.

Our marketing team is also responsible for working alongside our production team in cases of co-development of products with our customers and getting the samples approved.

### **Our customers**

Our customers are predominantly from the food & beverage industry, including some of India's well known dairy products and large FMCG companies. We have a long-standing relationship with all our major customers.

We rely on purchase orders from our customers and do not enter into firm-commitment or long term supply agreements. The purchase orders specify prices, quantities for the products and delivery schedule. These purchase orders are subject to conditions such as ensuring that all products delivered to the customer are as per the approved specifications.

The revenue break-up for our Company is as under:

<b>Particulars</b>	<b>As on September 30, 2017</b>	<b>As on March 31, 2017</b>	<b>As on March 31, 2016</b>
<b>Domestic sales</b>	<b>92.62%</b>	<b>92.08%</b>	<b>94.76%</b>
<b>Export sales:</b>			
China	5.16%	6.48%	4.69%
Saudi Arabia	0.39%	0.60%	0.39%
United Kingdom	0.19%	0.41%	0.09%
Malawi	0.15%	0.39%	-
Fiji	0.07%	-	-
Qatar	1.42%	-	-
Italy	-	0.04%	-
Tanzania	-	-	0.07%
<b>Total Exports</b>	<b>7.38%</b>	<b>7.92%</b>	<b>5.24%</b>
<b>Total Revenues from operation</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

For details of our major customers' contribution, please refer the table below:

### **For the period ended September 30, 2017**

<b>Particulars</b>	<b>% (of total revenues)</b>
Top three (3) customers	42.42%
Top five (5) customers	47.96%
Top ten (10) customers	57.40%

### **For FY 2017**

<b>Particulars</b>	<b>% (of total revenues)</b>
Top three (3) customers	41.31%
Top five (5) customers	47.23%
Top ten (10) customers	56.90%

*Note: All figures are excluding taxes and total revenues is considered as the total revenue for the respective year / period.*

### **Details of technology used**

We believe in staying updated with the latest technology and aim to be a step ahead of the competition. With investment of Rs. 4,533.18 Lakhs since our inception in upgraded technology and machineries, we have been able to deliver quality products to the satisfaction of our customers.

Further, we believe that we are one of the early ones to introduce:

- technology of 6-colour printing in dry offset in the Indian market
- fully automated thermoforming machines with German technology
- fully automated 6-colour printing machine in dry offset with Swiss technology in the Indian market
- alternate decoration technology of shrink sleeving on containers
- fully automated 8-colour printing machine in dry offset with Swiss technology in the Indian market
- high-tech extrusion machines for plastic rigid sheets with an Italian technology
- three station fully automated vacuum forming machine with German technology for punnets, trays, hinged containers, lids etc.
- complete integrated solution under one roof i.e., extrusion of PET / PP / PS; forming (i.e., trim in place); forming – (three station); and decoration (dry offset printing and sleeving)
- fully automated sleeving machine with indigenous technology
- PP barrier packaging for enhanced shelf life of the food product.

### **Details of Registered & Corporate office**

The Registered Office of our Company is located at #503-504, 5<sup>th</sup> Floor, Lodha Supremus, Road No. 22, Kishan Nagar, Near New Passport Office, Wagle Estate, Thane (W) – 400604, Maharashtra, India. The Registered Office of our Company is not owned by us and we have entered into a leave and license agreement for the Registered Office dated January 4, 2018 with M/s. Rajshree Infotech (a member of Promoter Group). The agreement is valid for five (5) years from December 1, 2017 and consideration paid by our Company for occupying the said premise is Rs. 2.81 Lakhs per month (excluding GST).

The Corporate Office of our Company is located at #212, 2<sup>nd</sup> Floor, Lodha Supremus, Road No. 22, Kishan Nagar, Near New Passport Office, Wagle Estate, Thane (W) – 400604, Maharashtra, India. The Corporate Office of our Company is not owned by us. We have obtained the property on a leave and license basis jointly with M/s. Orbit Industries and M/s. Bobson Industries from Kumar Goud Mulemane. The agreement is valid for a period of five (5) years from November 1, 2017 and the consideration paid by our Company for occupying the said premise is Rs. 0.57 Lakh per month (excluding GST).

### **Details of land owned by the Company**

We had entered into a deed of sale dated February 14, 2012 with M/s. Rajshree Industries, for the land situated at “Silver Industrial Estate” village, Bhimpore. The total area of the land is 1,908 Sq. meters and the same was transferred to our Company pursuant to our conversion from partnership firm. We have constructed Factory Unit - I on this land.

We had entered into a deed of sale dated February 14, 2012 with Premium Polyalloys Limited, for the land situated at survey no. 370/2, village Kachigam, district Daman. The total area of the land is 3857.43 Sq. meters and the sale consideration paid was Rs. 57.86 Lakhs. We have constructed Factory Unit - II on this land.

**Details of properties leased by our Company (apart from our Registered & Corporate office)**

- i. We have entered into a deed of lease with Giriraj Plastic Industries, a proprietorship concern, of Shri. Parag Pravinchandra Juthani, November 2, 2015 for a term of five (5) years from December 1, 2015, located at survey no. 184/1 (39), village Bhimpore, Nani Daman - 396 210. The total area of the property is 750 Sq. meters and the license fees payable by us for occupying the said premise is Rs. 1.33 Lakhs per month (plus GST, if applicable). We have constructed Factory Unit – III on this property.
- ii. Our Company has one (1) warehouse for which we have entered into a deed of lease with M/s. Regal Synthetics, a partnership firm, for a period of three (3) years from July 1, 2017. This property is located at survey no. 376/2(10), village Kachigam, Nani Daman. The total area of the property is 3,750 square feet and the license fees payable by us is Rs. 0.25 Lakhs per month (plus GST, if applicable).
- iii. Our Company has one (1) warehouse for which we have entered into a deed of lease with M/s. Metro Synthetics, a partnership firm, for a period of three (3) years from July 1, 2017. This property is located at survey no. 376/2(10), village Kachigam, Nani Daman. The total area of the property is 3,750 square feet and the license fees payable by us is Rs. 0.25 Lakhs per month (plus GST, if applicable).
- iv. For the convenience of our labour force, our Company has entered into following three (3) leave and license agreements for providing them with labour quarters:
  - a) a leave and license agreement with Mangala Hamira Ram on May 1, 2017 for a period of eleven (11) months from March 1, 2017, for our labour quarters which is located at room no. 26, situated at C/o. Lalubhai Patel, Patel Complex, Panchal Udyog Nagar, Bhimpore, Nani Daman – 396 210. The license fees payable by us is Rs. 0.03 Lakhs per month (plus GST, if applicable);
  - b) a leave and license agreement with Jatin K. Patel on April 21, 2017 for a period of eleven (11) months from March 1, 2017, for our labour quarters which is located at room no. A4, situated at Panchal Udyog Nagar, Bhimpore, Nani Daman– 396 210. The license fees payable by us is Rs. 0.02 Lakhs per month (plus GST, if applicable);
  - c) a leave and license agreement with Sejalbhai Dolatbhai Patel on October 6, 2017 for a period of eleven (11) months from October 1, 2017, for our labour quarters which is located at room no. 25, situated at 3<sup>rd</sup> Floor, Panchal Udyog Nagar, Bhimpore, Nani Daman – 396 210. The license fees payable by us is Rs. 0.02 Lakhs per month (plus GST, if applicable).

**Raw materials**

The principal raw materials we use in our manufacturing process are HIPS, PET and PP.

The details of sources of raw materials for our Company are as under:

Particulars	As on September 30, 2017	As on March 31, 2017	As on March 31, 2016
Domestic purchases	92.10%	84.05%	89.09%
Imported from:			
Singapore	0.05%	0.13%	1.48%
Taiwan	4.75%	4.89%	-

U.A.E.	3.10%	9.22%	8.34%
Israel	-	0.09%	-
Oman	-	1.62%	-
China	-	-	1.09%
<b>Total Imports</b>	<b>7.90%</b>	<b>15.95%</b>	<b>10.91%</b>
<b>Total cost of raw materials</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

For FY 2017 and for the period ended September 30, 2017, our total raw materials costs accounted for 53.36% and 54.81% respectively, of our total revenues for the said periods. The total cost of raw materials includes cost incurred for production of finished goods which have been sold as well as finished goods or work in progress lying in inventory. However, we are representing such costs only as a percentage of total revenue here.

**High Impact Polystyrene (HIPS)** is a versatile, economical and impact-resistant plastic that is easy to machine and fabricate. The features of HIPS include thermoforming/ vacuum forming which can be used in various industries like packaging, pharmaceutical, dairy products, etc. The advantages of HIPS include extra transparency, better rigidity at lower wall thickness, higher mechanical strength and better flexibility and high puncture resistance. Natural (translucent white) HIPS is Food and Drugs Administration compliant for use in food processing applications.

**Polyethylene Terephthalate (PET)** is a thermoplastic material which is high in demand in the thermoforming synthetic packaging market. Its favorable attributes include its excellent transparency near-equal to that of glass and its high mechanical strength, allowing the production of dimensionally stable, rigid packaging with relatively small wall thicknesses. Additionally, its oxygen barrier qualities make it suitable for fresh food items.

The features of PET include thermoforming which enables it to be used in various industries like food packaging, pharmaceutical packaging, boxes, thermoforming laminated sheet for FFS, electronics etc.

**Polypropylene (PP)** has established itself as the most important packaging material next to polystyrene. Due to its semi crystalline structure PP has a comparatively narrow processing window requiring special know-how from machine manufacturers and tool makers as well as processors.

The favorable characteristics of PP are its high resistance to fat and oil which is why it is the preferred packaging material for dairy products. Its imperviousness to water vapour and its frost resistance ability is a useful benefit especially in the frozen food packaging market. Depending on the type of material, a PP tray can even be transferred directly from the freezer to the microwave and heated without suffering any damages.

Trends in PP packaging are moving towards the use of highly crystalline extremely rigid PP homopolymers for further reduction of wall thickness in packaging with simultaneous high heat resistance and a further improved water vapour barrier.

The features of PP include thermoforming which enables it to be used in various industries like food packaging, pharmaceutical packaging, boxes and stationary.

Although the advantages are common between the three (3) principle raw materials used by our Company, their application and usage is varied.

For details of our major suppliers' contribution, please refer the table below:



**For the period ended September 30, 2017**

<b>Particulars</b>	<b>% (of total raw material costs)</b>
Top three (3) suppliers	61.03%
Top five (5) suppliers	73.91%
Top ten (10) suppliers	91.07%

**For FY 2017**

<b>Particulars</b>	<b>% (of total raw material costs)</b>
Top three (3) suppliers	56.96%
Top five (5) suppliers	69.24%
Top ten (10) suppliers	87.96%

*Note: Percentage of raw materials purchased includes duty and taxes and other expenses.*

**Utilities*****Energy***

Electricity is an important and substantial component in our industry. For the Fiscal 2017 and for the period ended September 30, 2017, our total energy costs comprised 4.32% and 3.95% respectively, of our total revenues, which we feel is one of our strengths by operating out of Daman as the power costs in Daman are comparatively lower as opposed to other states. Our Company purchases electricity from Daman Electricity Board. We undertake energy conservation measures, as a result of which we are able to save on electricity costs.

The sanctioned and connected power load at our factories is as under:

Factory Unit - I	650 KVA
Factory Unit - II	1,250 KVA
Factory Unit - III	250 KVA

***Water***

We source water from ground water bodies. Water cess is being paid to the local authority on a regular basis. We undertake water conservation measures for reducing water usage and leakage.

***Transportation***

We use a number of different modes of transportation including sea, air, road and rail to supply to our customers. The mode of transportation for a particular shipment is dependent on the urgency, size and value of the order.

For imports and exports, sea and air are the modes of transport used. While local origin and destination goods will generally be shipped by road, a majority of the shipments for exports are shipped via sea which are governed by INCOTERMS 2010.

**Design & Development**


Our Company lays special emphasis on design and development of our products. We aim to continuously improve our products and search for innovative solutions through brain-storming and sessions with our senior management personnel. We work closely with our customers on new product development.

## Technology

The continuous development of our technology systems is essential not only to improve our internal operations and financial performance, but also to provide our customers with effective, timely, and reliable services. Technology is a key differentiator for certain customers in delivering customized packaging products suiting their unique requirements.

## Intellectual Property

Our portfolio of intellectual property includes trademarks. We have also taken a number of measures to protect our intellectual property to mitigate the emergence of counterfeit products. For example, we proactively made an application to register our logo and symbol in the jurisdictions we are present in. We engage in promotions at various meets and exhibitions, where we communicate with our prospective customers to educate them about our products.

We view our device "RPPL" and logo , as material assets and have made applications under class 16 and 39 of Schedule IV of the Trade Marks Rules, 2002 read with the Trade Marks Act, 1999 to register our trademark in the jurisdictions we are currently in.

We have also entered into trademark license agreements dated March 1, 2012 with entities forming part of our Promoter Group, namely, M/s. Bobson Industries to use the trademark 'SAMRAT'; and with M/s. S.R. Plastics to use the trademarks 'NATRAJ' and 'SATYAM'. For further details, please refer chapter titled "*Government and Other Statutory Approvals*" beginning on page 281 of this Draft Red Herring Prospectus.

## Quality

With an aim to be equipped with the latest technology and strict quality control, we strive to deliver the best in the category. We are committed to implementing measures to comply with the applicable health and safety laws and regulations. We have been mindful to be equipped with the latest technology & strict quality control so that we ensure consistent quality at most competitive prices. To maintain quality standards, utmost care is being taken at each stage of the production. Our Company has established a strong system of food safety & quality management. Our manufacturing facilities are BRC/IOP certified in terms of packaging and packaging materials in the latest certification terms. We have set up a 24x7 on-site quality management system and we strictly follow good manufacturing practices (GMP).

## Health, Employee Safety & Environment

We are committed to implementing measures to ensure that adequate health and safety standards are in place for our employees and staff. We have an 'Occupational Safety and Health Policy' in place which ensures implementation of Health and Safety Management System to achieve our goal of reducing impact of Health and Safety hazards in operations. This system enables us to maintain a safe and healthy workplace environment and reduce health hazards, accidents, and injuries.

We also have in place a 'Health and Safety Whilst Pregnant Policy' to ensure safety and health for our women employees.

Employee health and safety is of high importance to us. Any mishaps or accidents at our facilities or any emission or leakage from our factory could lead to property damage, production loss, adverse publicity and accident claims. We aim to become a zero-accident organisation and continually take initiatives to reduce the risk of accidents and prevent environmental pollution at our facilities including:

- ensuring that plant employee safety manuals covering employee safety and environmental procedures are in place and implemented and that plant level hazard identification and risk assessments are periodically carried out;
- providing training and awareness programs on employee safety and environment to all employees (also conducted by an external agency), including training on use of heavy equipment, other operations at shop-floors, the use of first aid and other procedures to deal with emergencies;
- implementing regular proactive employee safety audits, management review meetings and periodic employee safety meetings;
- implementing employee safety and environment regulations;
- implementing corrective and preventive measures for all incidents and accidents;
- implementing and maintaining our legal compliance management system;
- conducting periodic safety and environment audits and ensuring necessary standard operating procedures are in place for effective implementation;
- conducting periodic emergency mock drills in our manufacturing facilities; and
- yearly health check-ups for our employees.

We experienced eight (8), nine (9) and seven (7) work related injuries in the ten (10) month period ended January 31, 2018, FY 2017 and FY 2016 respectively.

After each incident, we conducted a thorough internal investigation as to the reasons that the incident occurred, and implemented policy and process changes aimed to minimize the risk of similar future incidents.

We take the issue of workplace health and safety extremely seriously, as we view protecting the health and safety of our workers as one of our most fundamental responsibilities. Senior management, periodically review the health and safety measures.

Environmental requirements imposed by our government will continue to have an effect on our operations and us. We have obtained all material environmental consents and licenses from the relevant governmental agencies that are necessary for us to carry on our business. Our activities are subject to the environmental laws and regulations of India, which govern, among other things, air emissions, wastewater discharges, the handling, storage and disposal of hazardous substances and wastes, the remediation of contaminated sites, natural resource damages, and employee health and employee safety. For a list of all government approvals and licenses obtained by us please refer the chapter titled “*Government and Other Statutory Approvals*” beginning on page 281 of this Draft Red Herring Prospectus.

## Human Resources

We have developed a pool of skilled and experienced personnel. We also hire personnel on contract basis, part-time basis and temporary workers to meet our specific project needs. As of September 30, 2017, March 31, 2017, 2016 and 2015, we had 453, 408, 319 and 289 full-time employees, respectively, across all functional areas. For functional area-wise employee details please refer the table below:

Sr. No.	Functional Area	As on September 30, 2017	As on March 31, 2017
1	Admin & HR	4	3
2	Production	44	13
3	Store & dispatch	73	70
4	Maintenance	18	18
5	Quality	18	14
6	Thermoforming	98	86
7	House keeping	13	10

8	Grinding	9	9
9	Printing	56	60
10	Sleeving	37	43
11	Extrusion	54	54
12	Purchase	3	3
13	Marketing	4	5
14	System	2	2
15	Office	6	4
16	Accounts	14	14
	<b>Total</b>	<b>453</b>	<b>408</b>

As on January 31, 2018, we had 400 full time employees and 72 contract employees.

We gear our training efforts toward developing our personnel to allow for advancement and success within our organisation.

### Corporate Social Responsibility

Our corporate social responsibility programs go beyond donations and sponsoring charity events and instead comprise of several initiatives which vary with the needs of the society and environment. We have participated in several corporate social responsibility programs in the areas of education, environmental sustainability and protection of nation heritage (art and culture).

The CSR policy of the Company lays down the guidelines to make CSR a key business process for sustainable development of the society. The CSR policy also encompasses the scope of CSR activities of the Company.

We with the help of Shanti Foundation conducted research in the field of arts, philosophy, history & culture relating to *ideology*, spiritual sciences, Indian culture, Meditation and yoga; participated in the project by *Manav Arogya Seva Kendra* to provide schooling facility for special children called “*Vatssalya School for the special children*”; helped “*Astitva Shaikshnik Samajik Vikas Sanstha*” to check that dams that have been build serve a minimum of 400 acres land under cultivation. Presently, we are working on carrying out more checks for the same, further, participating in projects for tree cultivation, free library, arranging student’s college and hostel fees, free medical camps etc.

In FY 2017 and as on September 30, 2017, we spent Rs. 5.67 Lakhs and Rs. 4.00 Lakhs, respectively, on corporate social responsibility initiatives.

### Insurances

We maintain a comprehensive set of insurance policies, which are renewable every year. Amongst other insurances, our property, plant and equipment are insured for standard risks, including fire and earthquakes, our vehicles are insured for accidental damages and we also maintain marine cargo insurance. We also maintain director and officers’ liability insurance and a workmen’s compensation policy.

We believe that our insurance coverage is in accordance with industry custom, including the terms of and the coverage provided by such insurance. Our policies are subject to standard limitations and, in the case of business interruption insurance, among other things, limitations apply with respect to the length of the interruption covered and the maximum amount that can be claimed. Therefore, insurance might not necessarily cover all losses incurred by us and we cannot provide any assurance that we will not incur losses or suffer claims beyond the limits of, or outside the relevant coverage of, our insurance policies. For further details,

please refer to section titled "*Risk Factors – Our insurance coverage may not adequately protect us from all material risks and liabilities*", on page 31 of this Draft Red Herring Prospectus.

## **Competition**

According to the CARE Advisory Report, February 2018, rigid plastic sheets and thermoformed packaging products sector are majorly catered by unorganized players in the market. Our Company is one of the few organized players in this industry. We believe that our ability to compete effectively is primarily dependent on ensuring consistent service quality and timely services at competitive prices, thereby strengthening our brand and reputation over the years. Further, we believe that none of the listed companies in India have a business profile, revenue streams alongwith their size, directly comparable to ours. However, there is a listed company in India in the rigid plastic sheets / thermoformed packaging products sector with one or more business segments that maybe common to ours. For key financial parameters pertaining to this company, please refer chapter titled "*Basis for Issue Price*" on page [•] of this Draft Red Herring Prospectus

## **Legal Proceedings**

For details on the outstanding litigation against our Company, our Group Companies, our Directors and our Promoter, please refer to chapter titled "*Outstanding Litigation and Material Developments*" beginning on page 277 of this Draft Red Herring Prospectus.

## **KEY INDUSTRY REGULATIONS AND POLICIES**

Given below is a summary of certain relevant laws and regulations currently applicable to our Company. The information detailed in this chapter has been obtained from publications available in the public domain. The description of the applicable regulations as given below has been set out in a manner to provide general information to the investors and is not exhaustive and shall not be treated as a substitute for professional legal advice. The statements below are based on the current provisions of applicable law, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. Our Company is engaged in business of manufacturing of plastic rigid sheets and plastic rigid packaging products. We are regulated by a number of central and state legislations. Additionally, our functioning requires the sanction of concerned authorities, at various stages, under relevant legislations and local by-laws.

Given below is a brief description of certain relevant legislations that are currently applicable to the business carried on by us.

### **CENTRAL LAWS**

The primary central legislation governing the manufacturing sector is the Factories Act, 1948. In addition, compliance of various labour related legislations, including the Payment of Wages Act, 1956, The Minimum Wages Act, 1948, Equal Remuneration Act, 1976, Employees' Compensation Act, 1923, Industrial Disputes Act, 1948, Payment of Gratuity Act, 1972, Employees' Provident Funds and Miscellaneous Provisions Act, 1952, Payment of Bonus Act, 1965, as may be applicable in the relevant state.

#### **The Factories Act, 1948**

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

#### **Contract Labour (Regulation and Abolition) Act, 1970**

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

The Contract Labour (Regulation and Abolition) Central Rules, 1971 are formulated to carry out the purpose of the CLRA.

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

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

### **The Employees’ Compensation Act, 1923**

The Employees’ Compensation Act, 1923 (“**EC Act**”) has been enacted with the objective to provide for the payment of compensation to workmen by employers for injuries caused by accident(s) arising out of and in the course of employment, and for occupational diseases resulting in death or disablement. The EC Act makes every employer liable to pay compensation in accordance with the EC Act if a personal injury/disablement/ loss of life is caused to a workman by accident arising out of and in the course of his employment. In case the employer fails to pay compensation due under the EC Act within 1 (one) month from the date it falls due, the commissioner appointed under the EC Act may direct the employer to pay the compensation amount along with interest and may also impose a penalty.

### **The Employees’ Provident Fund and Miscellaneous Provisions Act, 1952**

The Employees Provident Funds and Miscellaneous Provisions Act, 1952 (“**EPF Act**”) was introduced with the object to institute compulsory provident fund for the benefit of employees in factories and other establishments. The EPF Act provides for the institution of provident funds and pension funds for employees in establishments where more than 20 (twenty) persons are employed and factories specified in Schedule I of the EPF Act. Under the EPF Act, the Central Government has framed the “Employees Provident Fund Scheme”, “Employees Deposit linked Insurance Scheme” and the “Employees Family Pension Scheme”. Liability is imposed on the employer and the employee to contribute to the funds mentioned above, in the manner specified in the statute. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPF Act also prescribes penalties for avoiding payments required to be made under the abovementioned schemes.

### **Equal Remuneration Act, 1976**

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

### **Maternity Benefit Act, 1961**

Maternity Benefit Act, as amended from time to time (“**MB Act**”) entitles a woman employee who has been in employment with the employer for eighty (80) days in the twelve (12) months immediately preceding her delivery to maternity leave of twelve (12) weeks, of which not more than six (6) weeks can precede the date

of her delivery. The MB Act further provides for (i) paid leave of six (6) weeks for miscarriage or medical termination of pregnancy; (ii) paid leave of two (2) weeks following the date of tubectomy operation; (iii) one (1) month's paid leave on account of any illness occurred after pregnancy, delivery, miscarriage, medical termination of pregnancy or tubectomy operation; and (iv) medical bonus of Rs. 3,500 (Rupees three thousand five hundred) from the employer if no pre-natal confinement or post-natal care is provided by the employer free of charge. The Lok Sabha passed the Maternity Benefit (Amendment) Act, 2016 ("**Amendment**"), which has received presidential assent and came into force with effect from March 28, 2017. The Amendment has increased paid maternity leave from twelve (12) weeks to twenty six (26) weeks for women having two surviving children and provides for twelve (12) weeks maternity leave for women having more than two children. The Amendment also provides for paid leave of twelve (12) weeks for commissioning mothers (in case of surrogacy) and adopting mothers who legally adopt a child below the age of three (3) months. The Amendment also codified a 'work from home' option for women after the period of maternity leave depending on the nature of work and on certain mutually agreed terms and conditions between the employer and the woman. The Amendment mandates employers employing more than fifty (50) employees in an establishment to provide crèche facilities where women are allowed to visit four times in a day.

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

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("**SHWW Act**") provides for the protection of women at workplace and prevention of sexual harassment at workplace. The SHWW Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behaviour namely, physical contact and advances or a demand or request for sexual favors or making sexually coloured remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature. The SHWW Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee, which shall always be presided upon by a woman. It also provides for the manner and time period within which a complaint shall be made to the Internal Complaints Committee i.e. a written complaint is to be made within a period of three (3) months from the date of the last incident. If the establishment has less than ten (10) employees, then the complaints from employees of such establishments as also complaints made against the employer himself shall be received by the Local Complaints Committee. The penalty for non-compliance with any provision of the SHWW Act shall be punishable with a fine extending to Rs. 0.5 Lakhs.

### **The Payment of Bonus Act, 1965**

The Payment of Bonus Act, 1965 ("**PB Act**") is applicable to every factory and every other establishment employing twenty (20) or more persons. According to the provisions of the PB Act, every employer shall be bound to pay to every employee in respect of the accounting year a minimum bonus which shall be 8.33% of the salary or wage earned by the employee during the accounting year or Rs. 100/- (Rupees One Hundred), whichever is higher, whether or not the employer has any allocable surplus in the accounting year. If the allocable surplus exceeds minimum bonus payable, then the employer must pay bonus proportionate to the salary or wage earned during that period, subject to maximum of 20% of such salary or wage. 'Allocable surplus' is defined as 67% of available surplus in the financial year, before making arrangements for the payment of dividend out of profit of our Company.

### **The Minimum Wages Act, 1948**

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



listed in the schedule to the MW Act, in respect of which minimum rates of wages have been fixed or revised under the MW Act.

### **The Payment of Gratuity Act, 1972**

The Payment of Gratuity Act, 1972 (“**PG Act**”) applies to every factory and shop or establishment in which ten (10) or more employees are employed. Gratuity is payable to an employee on the termination of his employment after he has rendered continuous service for not less than five (5) years:

- a) On his/her superannuation;
- b) On his/her retirement or resignation;
- c) On his/her death or disablement due to accident or disease (in this case the minimum requirement of five (5) years does not apply).

Gratuity is payable to the employee at the rate of fifteen (15) days’ wages for every completed year of service or part thereof in excess of six (6) months.

### **The Payment of Wages Act, 1936**

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

### **Child Labour (Prohibition and Regulation) Act, 1986**

The main objective of the Child Labour (Prohibition and Regulation) Act, 1986 (“**Act**”) is to prohibit the engagement of children in certain employments and to regulate the conditions of work or children in certain other employments. The Act defines a child as any person who has not completed his fourteenth year of age. The Act prohibits children from working in any occupation listed in Part A of the Schedule; for example: catering at railway establishments, construction work on the railway or anywhere near the tracks, plastics factories, automobile garages, etc. The Act also outlines the conditions in which children may work in certain occupations/processes.

### **Industrial Employment (Standing orders) Act, 1946**

The employers of industrial establishments are required to define with sufficient precision the conditions of employment and to make the said conditions known to the workmen. The standing orders are certified by the labour commissioner.

## **ENVIRONMENT LAWS**

We are subject to various environmental regulations as the operation of our establishments might have an impact on the environment. The basic purpose of such statutes is to control, abate and prevent pollution. In order to achieve these objectives, Pollution Control Boards (“**PCBs**”), have been set up in each state and at the central level. Establishments, as prescribed under various regulations may be required to obtain consent orders from the PCBs. These consent orders are required to be renewed periodically.

### **The Environment (Protection) Act, 1986 (“EPA”)**

The EPA has been enacted with the objective of protecting and improving the environment and for matters connected therewith. As per the EPA, the Central Government has been given the power to take all such

measures for the purpose of protecting and improving the quality of the environment and to prevent environmental pollution. Further, the Central Government has been given the power to give directions in writing to any person or officer or any authority for any of the purposes of the EPA, including the power to direct the closure, prohibition or regulation of any industry, operation or process.

### **The Water (Prevention and Control of Pollution) Act, 1974 (the “Water Act”)**

The Water Act prohibits the use of any stream or well for the disposal of polluting matter, in violation of the standards set out by the concerned PCB. The Water Act also provides that the consent of the concerned PCB must be obtained prior to opening of any new outlets or discharges, which are likely to discharge sewage or effluent.

### **The Water (Prevention and Control of Pollution) Cess Act, 1977 (“Water Cess Act”) and Water (Prevention and Control of Pollution) Cess Rules, 1978 (“Water Cess Rules”)**

The Water Cess Act has been enacted to provide for the levy and collection of a cess on water consumed by persons carrying on certain industries by local authorities constituted under the Water Act, with a view to augment the resources of the central and State PCBs for the prevention and control of water pollution. The Water Cess Rules have been notified under section 17 of the Water Cess Act and provide, inter alia, for the standards of the meters and places where they are to be affixed and the furnishing of returns by consumers.

### **Air (Prevention and Control of Pollution) Act, 1981 (the “Air Act”)**

The Air Act requires that any industry or institution emitting smoke or gases must apply in a prescribed form and obtain consent from the state PCB prior to commencing any activity. The state PCB is required to grant, or refuse, consent within four (4) months of receipt of the application. The consent may contain conditions relating to specifications of pollution control equipment to be installed.

### **Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (“Hazardous Waste Rules”)**

An “occupier” has been defined as any person who has control over the affairs of a factory or premises or any person in possession of hazardous waste. In terms of the Hazardous Waste Rules, occupiers have been, inter alia, made responsible for safe and environmentally sound handling of hazardous and other wastes generated in their establishments and are required to obtain license/ authorisation from concerned PCBs, for handling, generating, collecting, processing, treating, packaging, storing, transporting, using, recycling, recovering, pre-processing, co-processing, offering for sale, or the like of the hazardous and other wastes.

### **Plastic Waste Management Rules, 2016**

Plastic has multiple uses and the physical and chemical properties lead to commercial success. However, the indiscriminate disposal of plastic has become a major threat to the environment. In particular, the plastic carry bags are the biggest contributors of littered waste and every year, millions of plastic bags end up in the environment vis-a-vis soil, water bodies, water courses, etc. and it takes an average of one thousand years to decompose completely. In view thereof, the Plastic Waste Management Rules, 2016 has been enacted (a) to bring in the responsibilities of producers and generators, both in plastic waste management system and to introduce collect back system of plastic waste by the producers/brand owners, as per extended producers responsibility; (b) to introduce collection of plastic waste management fee through pre-registration of the producers, importers of plastic carry bags/multilayered packaging and vendors selling the same for establishing the waste management system; (c) to promote use of plastic waste for road construction as per Indian road congress guidelines or energy recovery, or waste to oil etc. for gainful utilization of waste and also

address the waste disposal issue; and (d) to entrust more responsibility on waste generators, namely payment of user charge as prescribed by local authority, collection and handing over of waste by the institutional generator and event organizers.

## **INTELLECTUAL PROPERTY LAWS**

Intellectual Property in India enjoys protection under both common law and statute. Under statute, India provides for patent protection under the Patents Act, 1970, copyright protection under the Copyright Act, 1957, trademark protection under the Trade Marks Act, 1999 and design protection under the Designs Act, 2000. The above enactments provide for protection of intellectual property by imposing civil and criminal liability for infringement.

### **The Trade Marks Act, 1999 (the “Trade Marks Act”)**

Indian trademark law permits the registration of trademarks for goods and services. The Trade Marks Act governs the statutory protection of trademarks and for the prevention of the use of fraudulent marks in India. Certification marks and collective marks can also be registered under the Trademarks Act. An application for trademark registration may be made by individual or joint applicants by any person claiming to be the proprietor of a trade mark, and can be made on the basis of either use or intention to use a trademark in the future. Applications for a trademark registration may be made for in one or more international classes. Once granted, trademark registration is valid for ten (10) years unless cancelled. If not renewed after ten (10) years, the mark lapses and the registration has to be restored. While both registered and unregistered trademarks are protected under Indian Law, the registration of trademarks offers significant advantages to the registered owner, particularly with respect to proving infringement. The Trade Mark (Amendment) Act, 2010 has been enacted by the GoI to amend the Trade Marks Act in order to enable Indian nationals as well as foreign nationals to secure simultaneous protection of trademark in other countries, and to empower the Registrar of Trademarks to do so. It also seeks to simplify the law relating to transfer of ownership of trademarks by assignment or transmission and to bring the law generally in line with international practice.

### **Copyright Act, 1957**

The Copyright Act, 1957 protects literary and dramatic works, musical works, artistic works including maps and technical drawings, photographs and audio-visual works (cinematograph films and video).

### **Patents Act, 1970**

The Patents Act, 1970 (the “**Patents Act**”) governs the patent regime in India. Being a signatory to the Agreement on Trade Related Aspects of Intellectual Property Rights, India is required to recognise product patents as well as process patents. In addition to the broad requirement that an invention, a patent has to satisfy the requirements of novelty, utility and non-obviousness in order for it to avail patent protection. The Patents Act stipulates that patent protection may not be granted to certain specified types of inventions and materials even if they satisfy the above criteria. The Patents Act prohibits any person resident in India from applying for patent for an invention outside India without making an application for the invention in India. The term of a patent granted under the Patents Act is twenty (20) years from the date of filing of the application for the patent.

## **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 alternative tax and like.

### **The Customs Act, 1962**

The provisions of the Customs Act, 1962 and rules made thereunder are applicable at the time of import of goods into India from a place outside India or at the time of export of goods out of India to a place outside India. Any company requiring to import or export any goods is required to get itself registered under this Act and obtain an Importer Exporter Code number.

### **Goods & Service Tax (“GST”)**

GST is an indirect tax applicable throughout India which replaced multiple cascading taxes levied by the central and state governments. The GST is levied as dual GST separately but concurrently by the Union (central tax – CGST) and the States (including Union Territories with legislatures) (State tax – SGST) / Union territories without legislatures (Union territory tax- UTGST). The Parliament would have exclusive power to levy GST (integrated tax – IGST) on inter-State trade or commerce (including imports) in goods or services. It was introduced as The Constitution (One Hundred and First Amendment) Act 2017, following the passage of Constitution 122<sup>nd</sup> Amendment Bill. The GST is governed by a GST Council and its Chairman is the Finance Minister of India. Under GST, goods and services are taxed at the following rates 5%, 12%, 18% and 28%. Besides, some goods and services would be under the list of exempt items.

### **FOREIGN INVESTMENT REGULATIONS**

Foreign investment in India is governed by the provisions of the Foreign Exchange and Management Act, 1999 (“**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.

### **OTHER LAWS**

In addition to the above, our Company is also required to comply with the provisions of the Companies Act, applicable SEBI regulations and rules framed thereunder and other applicable statutes enacted by the GoI or relevant state governments and authorities for our day-to-day business and operations. Our Company is also subject to various central and state tax laws.

## HISTORY AND CERTAIN CORPORATE MATTERS

### History and Background

Our Company was originally formed as a partnership firm under the Partnership Act, 1932 (“Partnership Act”) in the name of M/s. Rajshree Industries, pursuant to a deed of partnership dated October 23, 2003. The name of M/s. Rajshree Industries was changed to M/s. Rajshree Polypack pursuant to a deed of re-constitution dated September 1, 2011. The said partnership was thereafter converted from a partnership firm to a private limited company under Part IX of the Companies Act, 1956 and registered with the Registrar of Companies, Mumbai with the name of “Rajshree Polypack Private Limited” on October 15, 2011. Subsequently, our Company was converted into a public limited company pursuant to a special resolution passed by our shareholders dated March 24, 2017 and the name of our Company was changed to “Rajshree Polypack Limited” to reflect the legal status of our Company pursuant to a fresh certificate of incorporation granted by the Registrar of Companies, Mumbai dated August 3, 2017.

The Corporate Identification Number of our Company is U25209MH2011PLC223089.

### Corporate Profile of our Company

For information on our Company’s profile, activities, services, market, growth, technology, managerial competence, standing with reference to prominent competitors, major vendors and suppliers, please refer to chapter titled “*Our Management*”, “*Business Overview*” and “*Industry Overview*” beginning on pages 164, 126 and 103 of this Draft Red Herring Prospectus, respectively.

### Changes in registered office of the Company

Our Company’s Registered Office is presently situated at #503-504, 5<sup>th</sup> Floor, Lodha Supremus, Road No. 22, Kishan Nagar, Near New Passport Office, Wagle Estate, Thane (W) – 400604, Maharashtra, India. The details of changes in address of our Registered Office since incorporation are set as forth below:-

Date of Change of Registered Office/ Date of Shareholders Meeting	Old Address	New Address
December 18, 2017	Room No. 4, 3-C, Jai Hind Building, 2 <sup>nd</sup> Floor, Dr. Atmaram Merchant Road, Bhuleshwar, Mumbai, 400002, Maharashtra, India	#503-504, 5 <sup>th</sup> Floor, Lodha Supremus, Road No. 22, Kishan Nagar, Near New Passport Office, Wagle Estate, Thane (W), 400604, Maharashtra, India

The above office was changed for administrative convenience.

### Number of shareholders of the Company

Our Company has seven (7) shareholders as on the date of this Draft Red Herring Prospectus. For further details, regarding our shareholders, please refer to chapter titled “*Capital Structure*” beginning on page 66 of this Draft Red Herring Prospectus.

## Main Objects of our Company

The Main Objects clause of the Company as per the MoA is as under:

- “1. To carry on in India and/or elsewhere the business of manufacturing, importing, exporting, dealing in, trading of, extrusion of single and/or multilayered sheets using different polymers or plastic raw material or bio-compostable material or bio-degradable material and business of manufacturing, importing, exporting, dealing in, trading of, fabricating, processing, moulding, shaping, cutting all kinds of articles and rigid, semi-rigid and flexible packaging products including, but not limited to, food and other containers, beverage cups & containers, generic bowls, punnets & trays, lids, tetra-packs, rectangular meal trays, rectangular hinged containers, plates, bottles, strips, drums, boxes, tapes, straws, bags, pouches, envelopes, etc. from plastic rigid and semi-rigid sheets, paper, board, pulp, cellulose films, polyethylene, plastic films, metal or metal foils, films of all kinds, treated or laminated materials sheets, rolls including all kinds of flexible packaging material, sheets made of bio-compostable material or bio-degradable material, or any other material and value addition including printing, treating, sleeving, labeling, waxing, lamination and decoration by any other means to all such articles and/or packaging products, and acquiring, hiring and making tools, dies, moulds, instruments and machines for manufacturing such products or providing packaging or value addition services and to act as an advisor, mercantile agent, clearing and forwarding agent, broker, consignor, consignee, conversion agent, distributor, stockiest, in India and/or elsewhere, in relation to products covered in this clause and to do all things incidental thereto.*
- 2. To provide advisory and consultancy services, including, but not limited to, product development, designing, testing, research, information on ground, inputs about the characteristics, interest, activities, performance and other attributes of various packaging products, raw materials, in respect of, relating to, or connected to any of the activities specified in the above clause, and all things incidental thereto.*
- 3. To acquire and take over the running business of firm concern named RAJSHREE POLYPACK along with all its assets and liabilities on such terms and conditions as may be mutually agreed upon. The said Firm will cease to exist after such takeover by the Company after incorporation thereof.”*

## Amendments to the MoA

Since incorporation, the following amendments have been made to the MoA:

<b>Date of Shareholder's Resolution</b>	<b>Particulars</b>
January 13, 2012	Clause V of the MoA was amended to reflect the re-classification in the authorized share capital from Rs. 350.00 Lakhs divided into 35,00,000 Equity Shares of Rs.10/- each to Rs. 350.00 Lakhs divided into (i) 23,00,000 Equity Shares of Rs. 10/- each and (ii) 12,00,000 0% CCPS of Rs. 10/- each.
September 29, 2012	Clause V of the MoA was amended to reflect the re-classification in the authorized share capital from Rs. 350.00 Lakhs divided into 23,00,000 Equity Shares of Rs. 10/- each and 12,00,000 0% CCPS of Rs. 10/- each to Rs. 350.00 Lakhs divided into 35,00,000 Equity Shares of Rs. 10/- each.
November 14, 2016	Clause V of the MoA was amended to reflect the increase in the authorized share capital from Rs. 350.00 Lakhs divided into 35,00,000 Equity Shares of Rs. 10/- each to Rs. 1,000.00 Lakhs divided into 1,00,00,000 Equity Shares of Rs. 10/- each.

March 24, 2017	<p>(i) The title of Clause III (B) of the MoA amended from “<i>the objects that are incidental or ancillary to the attainment of the main objects</i>” with “<i>Matters which are necessary for furtherance of the objects specified in Clause III (B) are:</i>”;</p> <p>(ii) Clause III (B) (31) of the MoA was amended from “<i>Subject to the provisions of the Companies Act, 1956, to distribute among the members in specie any property of the Company or any proceeds of sale of disposal of any property of the Company in the event of winding up</i>” to “<i>Subject to the provisions of the Companies Act, 2013, to distribute among the members in specie any property of the Company or any proceeds of sale of disposal of any property of the Company in the event of winding up</i>”;</p> <p>(iii) Clause III (I) of the MoA was amended and object no. 60 to object no. 69 of the MoA were deleted;</p> <p>(iv) Clause IV of the MoA was amended from “<i>The liability of the members is limited</i>” to “<i>The liability of members is limited and this liability is limited to the amount unpaid on shares held by them</i>”;</p> <p>(v) Clause I of the MoA was amended from “<i>The name of the Company is Rajshree Polypack Private Limited.</i>” To “<i>The name of the Company is Rajshree Polypack Limited</i>”</p>
December 18, 2017	Clause V of the MoA was amended to reflect the increase in the authorized share capital from Rs. 1,000.00 Lakhs divided into 1,00,00,000 Equity Shares of Rs. 10/- each to Rs. 1,250.00 Lakhs divided into 1,25,00,000 Equity Shares of Rs. 10/- each.
February 27, 2018	<p>(i) Clause III (A) (1) of the MoA was amended from “<i>(1) To carry on in India and/or elsewhere the business of manufacturing, importing, exporting, dealing in, trading of, extrusion of single and/or multilayered sheets using different polymers or plastic raw material or bio-compostable material or bio-degradable material and business of manufacturing, importing, exporting, dealing in, trading of, fabricating, processing, moulding, shaping, cutting all kinds of articles and rigid, semi-rigid and flexible packaging products including, but not limited to, food and other containers, beverage cups &amp; containers, generic bowls, punnets &amp; trays, lids, tetra-packs, rectangular meal trays, rectangular hinged containers, plates, bottles, strips, drums, boxes, tapes, straws, bags, pouches, envelopes, etc. from plastic rigid and semi-rigid sheets, paper, board, pulp, cellulose films, polyethylene, plastic films, metal or metal foils, films of all kinds, treated or laminated materials sheets, rolls including all kinds of flexible packaging material, sheets made of bio-compostable material or bio-degradable material, or any other material and value addition including printing, treating, sleeving, labeling, waxing, lamination and decoration by any other means to all such articles and/or packaging products, and acquiring, hiring and making tools, dies, moulds, instruments and machines for manufacturing such products or providing packaging or value addition services and to act as an advisor, mercantile agent, clearing and forwarding agent, broker, consignor, consignee, conversion agent, distributor, stockiest, in India and/or elsewhere, in relation to products covered in this clause and to do all things incidental thereto.</i></p> <p><i>(2) To provide advisory and consultancy services, including, but not limited to, product development, designing, testing, research, information on ground, inputs about the characteristics, interest, activities, performance and other attributes of various packaging products, raw materials, in respect of, relating to, or connected to any of the activities specified in the above clause, and all things incidental thereto.</i></p>

	(ii) Clause III (A) (2) of the MoA is renumbered to Clause III (A) (3).
	(iii) Clause III (B)(3) to B(59) of the MOA is renumbered to Clause III(B)(1) to B(57).

### Major Events and milestones of our Company

Year	Events
2003	Incorporation as partnership firm
2004	Commenced commercial operations in Daman with Factory Unit - I One of the early ones to introduce technology of 6-colour printing in dry offset in the Indian market
2009	One of the first ones to introduce fully automated thermoforming machines with German technology
2010	One of the early ones to introduce fully automated 6-colour printing machine in dry offset with Swiss technology in the Indian market
2011	One of the early ones to introduce alternate decoration technology of shrink sleeving on containers Converted into private limited company Co-developed packaging for prominent beverage manufacturers.
2012	Wifag Polytype Holding AG invested in the Company through its wholly-owned subsidiary One of the early ones to introduce fully automated 8-colour printing machine in dry offset with Swiss technology in the Indian market
2013	Commenced commercial operations in Daman with Factory Unit - II Co-developed packaging for one of the major confectionery brands. One of the early ones to introduce high-tech extrusion machines for plastic rigid sheets with an Italian technology One of the early ones to have complete integrated solution under one roof i.e., extrusion of PET / PP / PS; forming i.e., trim in place); forming – (three station); and decoration (dry offset printing and sleeving).
2014	One of the early ones to introduce three station fully automated vacuum forming machine with German technology for punnets, trays, hinged containers, lids etc.
2016	One of the early ones to introduce fully automated sleeving machine with indigenous technology Commenced commercial operations in Daman with Factory Unit - III One of the early ones to have introduced PP barrier packaging for enhanced shelf life of the food product. Crossed installed capacity of 10,000 MT per annum for sheet extrusion

### Awards, Achievements and Accolades

Our Company has not participated in any award distribution event.

### Other Details Regarding our Company

For details regarding the description of our activities, services, products, market of each segment, the growth of our Company, technology, the standing of our Company with reference to prominent competitors, management, managerial competence, major suppliers and customers, exports, geographical segment, capacity/facility creation, location, environmental issues, market, capacity build-up, marketing and



competition, please refer to chapter titled “*Business Overview*”, “*Our Management*” and “*Industry Overview*” beginning on pages 126, 164 and 103 of this Draft Red Herring Prospectus, respectively.

### **Capital raising activities through equity and debt**

Except as mentioned in chapter titled “*Capital Structure*” beginning on page 66 of this Draft Red Herring Prospectus, our Company has not raised any capital through equity and debt. For details on the debt facilities of our Company, please refer to chapter titled “*Financial Indebtedness*” and section titled “*Financial Statements*” beginning on page 271 and 188 of this Draft Red Herring Prospectus, respectively.

### **Time and cost overrun in setting up of projects**

There have been no instances of time and cost overruns in setting up of our projects in the past and as regards our proposed project, except as described under section titled “*Risk Factors*” on page 20 of this Draft Red Herring Prospectus, there are no anticipated time and cost overruns. For details, please refer to section titled “*Risk Factors – If there are delays or cost overruns in utilisation of Net Proceeds, our business, financial condition and results of operations may be adversely affected*” on page 22 of this Draft Red Herring Prospectus.

### **Defaults or rescheduling of borrowings of our Company with financial institutions**

There have been no defaults or rescheduling of borrowings with any of the financial institutions/banks in respect of our current borrowings from our lenders. None of our outstanding loans have been converted into Equity Shares.

### **Lock-out or strikes**

There have been no lock-outs or strikes at any time in our Company.

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

There has been no change in the activities of our Company during the last five (5) years which may have had a material effect on the statement of profit & loss of our Company, including discontinuance of a line of business, loss of agencies or markets and similar factors.

### **Injunction or Restraining Order**

There are no injunctions or restraining orders against our Company.

### **Holding Company**

Our Company does not have a holding company.

### **Subsidiaries**

Our Company does not have any subsidiaries.

### **Business acquisition, mergers and amalgamations**

There have been no business acquisitions, mergers or amalgamations by/with our Company during the last five (5) years.

## Revaluation of assets

Our Company has never revalued its assets since incorporation and has not issued any Equity Shares, including bonus shares, by capitalizing any revaluation reserves.

## Shareholders and other Material Agreements

There are no material agreements, other than those entered into in the ordinary course of business carried on or intended to be carried on by our Company, except as disclosed below:

Sr. No.	Date	Parties	Brief description
1.	March 16, 2018	Non-compete agreement between our Company and M/s. Bobson Industries, M/s. Orbit Industries and M/s. S. R. Plastics*	<p>(A) Non-Competition :</p> <p>M/s. Bobson Industries, M/s. Orbit Industries and M/s. S. R. Plastics shall not, without the prior written consent of the Company, directly or indirectly, whether directly or through any other individual, body corporate, company, partnership firm, limited liability partnership, joint venture, sole proprietary, association, joint stock company, trust, unincorporated organization, business or other entity:</p> <p>(i) manufacture, market, distribute, supply or sell to any person (other than the Company) which is located within (or for delivery within) the territorial jurisdiction of India any quantity or quantities of the competitive products in any form whatsoever; and/or</p> <p>(ii) manufacture, market, distribute, supply and/or sell to the top five (5) Customers (other than the Company) which is located within (or for delivery within) the territorial jurisdiction of India any quantity or quantities of the products (in any form whatsoever); and/or</p> <p>(iii) own, manage, operate, join, control or participate in the ownership, management, operation or control of, or be connected as an officer, director, employee, shareholder, partner, consultant, advisor (in each case whether compensated or not) or otherwise with, any business which at any time during such period directly or indirectly competes with the competitive products or the competitive business of the Company; and/or</p> <p>(iv) engage in or carry on the competitive business of the Company either by transfer of any technology or marketing expertise relating to the competitive products and/or</p> <p>(v) divulge or disclose to any person or use in any way, any information (other than information available to the</p>

			<p>public or disclosed or divulged pursuant to an order of a court of competent jurisdiction) relating to the Business of the Company, the identity of Company's customers, vendors, its products, finance, contractual arrangements, business or methods; and/or</p> <p>(vi) do or attempt to do any act, thing, matter or deed which may impair/ harm and/or adversely affect/or otherwise injure the goodwill of the Business.</p> <p>(B) <u>Non-Solicitation</u>:</p> <p>M/s. Bobson Industries, M/s. Orbit Industries and M/s. S. R. Plastics shall not, without the prior written consent of the Company, directly or indirectly, whether by itself or through any other individual, body corporate, company, partnership firm, limited liability partnership, joint venture, sole proprietary, association, joint stock company, trust, unincorporated organization, business or other entity ("Person"):</p> <p>(i) interfere with, tender for, canvass, solicit, entice away or attempt to solicit or entice away, hire or procure, (or make any attempts to do or influence, encourage or assist in doing any of the foregoing acts) from the Company, any existing, former or potential customer, client, vendor, lessor, representative, agent, franchisees, contractor, consultant, business associates or employee of the Company, whether or not such employee would commit a breach of contract by reason of leaving such employment;</p> <p>(ii) induce or procure (or make any attempts to do or influence, encourage or assist in doing any of the foregoing acts) any Person who was a director, employee, advisor or consultant, contractor, supplier, dealer or vendor, of the Company to leave the service of, or cease to provide service to, the Company;</p> <p>(iii) accept into employment or otherwise engage or use the services of any Person who is or was at any time an employee or consultant of, or under a contract of service to, the Company;</p> <p>(iv) approach, solicit or deal with, in competition with the Company, any Person who at any time was a customer, client, distributor, agent or supplier, or the business or patronage of any Person who was, to his/her/its knowledge, a customer, client or supplier of the Company, or with whom the Promoters had personal contact on behalf of the Company.</p>
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2.	October 20, 2014	Deed of Adherence to Share Subscription and Shareholders Agreement between the Company and Wifag Polytype Holding AG, Ramswaroop Radheshyam Thard, Naresh Radheshyam Thard, Sajjan N. Rungta HUF, Anand Sajjankumar Rungta, Varsha Naresh Thard and Shashi Ramswaroop Thard.**	The deed of adherence read with share subscription and shareholders agreement provide for certain rights including but not limited to right of first refusal, tag-along rights, drag along rights etc.
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*\*Note: For avoidance of doubt, terms “Competitive Products”, “Products”, “Competitive Business”, “Person” “Potential Client” or “Potential Customer” and “Business” have the meaning as ascribed under the respective Non-Compete Agreements.*

*\*\*Parties to the deed of adherence and share subscription and shareholders agreement are in discussions to amend / modify / terminate the said agreements partially or in entirety. Upon amendment / modification / termination of the said agreements, the same shall be updated at the time of filing Red Herring Prospectus.*

The said non-compete agreements, deed of adherence and share subscription and shareholders agreement may be inspected at the Registered Office between 10 a.m. and 5 p.m. (IST) on all Working Days from the date of this Draft Red Herring Prospectus until the Bid/Issue Closing Date.

### **Strategic Partners**

Our Company does not have any strategic partners.

### **Financial Partners**

Apart from the arrangements undertaken with the Bankers to the Company in the ordinary course of business, our Company does not have any other financial partner.

## OUR MANAGEMENT

### Board of Directors

In terms of the Articles of Association of our Company, it is required to have not more than fifteen (15) Directors and not less than three (3) Directors. As on the date of this Draft Red Herring Prospectus, our Board comprises of eight (8) Directors, out of which two (2) are executive Directors, one (1) is a non-executive Director, two (2) are nominee Directors and three (3) are Independent Directors (including one (1) woman Director).

The following table sets forth the details of our Board as of the date of filing of this Draft Red Herring Prospectus:

<b>Name, designation, occupation, address, nationality, date of appointment, term and DIN</b>	<b>Age (in years)</b>	<b>Other directorships</b>
<b>Ramswaroop Radheshyam Thard</b>  <b>Designation</b> – Promoter, Chairman & Managing Director  <b>Occupation</b> – Business  <b>Address</b> – 403/404, 4 <sup>th</sup> Floor, Carlyle Apartment, LBS Marg, Teen Hat Naka, Thane - 400604.  <b>Nationality</b> – Indian  <b>Date of appointment</b> – October 15, 2016*  <b>Term</b> – Not liable to retire by rotation  <b>DIN</b> – 02835505	44	NIL
<b>Naresh Radheshyam Thard</b>  <b>Designation</b> – Promoter & Joint Managing Director  <b>Occupation</b> – Business  <b>Address</b> – 403/404, Carlye Building, Raheja Garden, LBS Marg, Thane (W) - 400604.  <b>Nationality</b> – Indian  <b>Date of appointment</b> – February 1, 2017**  <b>Term</b> – Liable to retire by rotation  <b>DIN</b> – 03581790	42	NIL

Name, designation, occupation, address, nationality, date of appointment, term and DIN	Age (in years)	Other directorships
<p><b>Sajjankumar Nanikram Rungta</b></p> <p><b>Designation</b> – Non-Executive Director</p> <p><b>Occupation</b> – Business</p> <p><b>Address</b> – 504, A-wing, Westgate, Lodha Luxuria Eastern Express Highway, Lodha Paradise, Majiwada, Kasarvadavali, Thane, 400601</p> <p><b>Nationality</b> – Indian</p> <p><b>Date of appointment</b> – August 31, 2017***</p> <p><b>Term</b> – Liable to retire by rotation</p> <p><b>DIN</b> – 02191131</p>	64	NIL
<p><b>Praveen Bhatia</b></p> <p><b>Designation</b> – Non-Executive, Nominee Director</p> <p><b>Occupation</b> – Business</p> <p><b>Address</b> – W-12/30, DLF – 3, Gurgaon, Haryana – 122001.</p> <p><b>Date of Appointment</b> – June 26, 2015</p> <p><b>Term</b> – Liable to retire by rotation</p> <p><b>DIN</b> – 00147498</p>	57	<p><i>Indian Public Limited Companies</i></p> <p>1. Provestment Services Limited</p> <p><i>Indian Private Limited Companies</i></p> <p>1. Double Aey Consultants Private Limited</p> <p>2. Aa Labels Private Limited</p> <p>3. Chaitali Exports Private Limited</p> <p>4. Wifag-Polytype India Marketing Private Limited</p> <p>5. Profile Packaging Private Limited</p> <p>6. Kyh Care.Com Private Limited</p> <p><i>Limited Liability Partnership</i></p> <p>1. Proace Telecommunications LLP</p>
<p><b>Alain Edmond Berset</b></p> <p><b>Designation</b> – Non-Executive, Nominee Director</p> <p><b>Occupation</b> – Business</p> <p><b>Address</b> – Impasse De La Chapelle 3, Farvagny 1726 Switzerland.</p> <p><b>Nationality</b> – Swiss</p>	44	<p><i>Indian Private Limited Companies</i></p> <p>1. Wifag-Polytype India Marketing Private Limited</p> <p><i>Foreign Companies</i></p> <p>1. Mechatronica SC</p> <p>2. Swiss Global Enterprise (SGE)</p>

Name, designation, occupation, address, nationality, date of appointment, term and DIN	Age (in years)	Other directorships
<b>Date of Appointment</b> – May 02, 2016  <b>Term</b> – Liable to retire by rotation  <b>DIN</b> – 07181896		
<b>Prabuddha Das Gupta</b>  <b>Designation</b> – Non-Executive Independent Director  <b>Occupation</b> – Technical Consultant  <b>Address</b> – No 101, Royal Manor, 18/2, Kodihalli Hal, 3rd Stage, Bangalore - 560008.  <b>Nationality</b> – Indian  <b>Date of Appointment</b> – November 20, 2017  <b>Term</b> – For a period of five consecutive years upto November 19, 2022  <b>DIN</b> – 07838327	64	<i>Indian Private Limited Companies</i>  1. Intelligent Consumer Products Private Limited
<b>Rajesh Satyanarayan Murarka</b>  <b>Designation</b> – Non-Executive Independent Director  <b>Occupation</b> – Professional  <b>Address</b> – B-603, Rizvi Oak, Sadguru Wamanrao Pai Road, Near Times of India, Malad (East), Mumbai - 400097  <b>Nationality</b> – Indian  <b>Date of Appointment</b> – November 20, 2017  <b>Term</b> – For a period of five consecutive years upto November 19, 2022  <b>DIN</b> – 01501322	45	NIL
<b>Meenakshi Ahuja</b>  <b>Designation</b> – Non-Executive Independent Director	52	<i>Indian Private Limited Companies</i>  1. Bravo Capital Services Private Limited

Name, designation, occupation, address, nationality, date of appointment, term and DIN	Age (in years)	Other directorships
<b>Occupation</b> – Business  <b>Address</b> – N 4/14, DLF Qutab Enclave, Phase–II, Gurgaon.  <b>Nationality</b> – Indian  <b>Date of Appointment</b> – November 20, 2017  <b>Term</b> – For a period of five consecutive years upto November 19, 2022  <b>DIN</b> – 00829308		2. Delite 21st Century Equipent Private Limited 3. Bravo Credit and Holdings Private Limited 4. Bravo Educare Private Limited 5. Cyberking Infotrain Private Limited

*\*Ramswaroop Radheshyam Thard was appointed as Managing Director in the Board meeting dated March 30, 2017 w.e.f. October 15, 2016. Subsequently, he was re-designated as Chairman & Managing Director of the Company in the Board meeting dated December 18, 2017 w.e.f. December 18, 2017.*

*\*\*Naresh Radheshyam Thard was appointed as Managing Director in the Board meeting dated March 30, 2017 w.e.f. February 1, 2017. Subsequently, he was re-designated as Joint-Managing Director of the Company in the Board meeting dated November 20, 2017 w.e.f. November 20, 2017.*

*\*\*\*Sajjankumar Nanikram Rungta was initially appointed as non-executive director in the Board meeting dated October 15, 2011 w.e.f. October 15, 2011. He was re-appointed as non-executive director in the AGM dated September 18, 2017 w.e.f. September 18, 2017.*

### Relationship between our Directors

Except stated below, none of our directors are related to each other.

Sr. No.	Name of Director	Designation	Relationship with other Directors
1.	Ramswaroop Radheshyam Thard	Promoter, Chairman & Managing Director	Brother of Naresh Radheshyam Thard
2.	Naresh Radheshyam Thard	Promoter & Joint-Managing Director	Brother of Ramswaroop Radheshyam Thard

### Brief biographies of our Directors

#### Ramswaroop Radheshyam Thard

Ramswaroop Radheshyam Thard is the Promoter, Chairman & Managing Director of our Company. He has been Managing Director of our Company since incorporation. He holds a Bachelor's degree of Engineering from the University of Pune. He has an experience of twenty (20) years in the plastic packaging industry. His first venture was a partnership firm named M/s S. R. Plastics in the year 1996 along with the Rungta family which commenced operations in 1997. He is the founder of our Company and plays a very pivotal role in business development, sales, administration and finance functions of our Company.



### **Naresh Radheshyam Thard**

Naresh Radheshyam Thard is the Promoter and Joint Managing Director of our Company. He has been a Director of our Company since incorporation and has been working as Managing Director since February 1, 2012. He was later re-designated as Joint-Managing Director on November 20, 2017 w.e.f. November 20, 2017. He has passed the first year course of the Bachelor's degree of Commerce from University of Mumbai. He has an experience of nineteen (19) years in the plastic packaging industry. He is co-founder of our Company along with Ramswaroop Radheshyam Thard and has been equally instrumental in the growth of our Company. He has strong technical skills in the plastic packaging domain.

### **Sajjankumar Nanikram Rungta**

Sajjankumar Nanikram Rungta is the non-executive Director of our Company. He has been a Director of our Company since incorporation. He holds certificate of matriculation from Chengmari Tea Garden Higher Secondary School, West Bengal. He has an experience of thirty five (35) years in textile and transportation industry.

### **Praveen Bhatia**

Praveen Bhatia is a non-executive, nominee Director of our Company. He has been a Director of our Company since 2015. He holds a Bachelor's degree of Commerce from University of Delhi. He is a qualified Chartered Accountant and a fellow member of ICAI. He has an experience of over twenty three (23) years in issue management, mergers & amalgamations, foreign collaborations, project consultation, loan syndication, audit & taxation and investment advisory services.

### **Alain Edmond Berset**

Alain Edmond Berset is a non-executive, nominee Director of our Company. He has been a Director of our Company since 2016. He holds a degree of Mechanical Engineering from E'ole d'ingénieurs de Fribourg and he has done his executive degree in Masters of Business Administration from Haute Ecole de Gestion de Fribourg & Bern. He has post qualification experience of twenty (20) years.

### **Prabuddha Das Gupta**

Prabuddha Das Gupta is a non-executive Independent Director of our Company. He holds a Bachelor's and Master degree of Science in Chemistry from Patna University. He has also completed a course on packaging from Indian Institute of Packaging. He is a fellow member of Indian Plastics Institute and a fellow life member of National Centre for Quality Management, Mumbai. He was a member of the Institute of Packaging, London. He has over thirty-nine (39) years of experience in packaging industry and was earlier associated with MNCs and large Indian companies in the field of pharmaceuticals and FMCGs. He was appointed as an Additional Director of the Company on November 20, 2017 and was regularised as a Non-Executive Independent Director on December 18, 2017.

### **Rajesh Satyanarayan Murarka**

Rajesh Satyanarayan Murarka is a non-executive Independent Director of our Company. He holds a Bachelor's degree of Commerce from S.I.E.S. College of Arts, Science and Commerce. He is a qualified Chartered Accountant and a fellow member of ICAI. He is a partner of M/s. Sudhir Kedia & Co., Chartered Accountants. He has over twenty (20) years of experience in debt syndication, debt structuring/ re-structuring and debt advisory services. He was appointed as an Additional Director of the Company on November 20, 2017 and was regularised as a Non-Executive Independent Director on December 18, 2017.

## **Meenakshi Ahuja**

Meenakshi Ahuja is a non-executive Independent Director of our Company. She holds a Bachelor's degree in Science from University of Delhi and Post Graduate Diploma in Business Analytics from National Productivity Council, Delhi. She also holds diploma in COBOL from NIIT Delhi. She has over nineteen (19) years of experience in sales and marketing. She was appointed as an Additional Director of the Company on November 20, 2017 and was regularised as Non-Executive Independent Director on December 18, 2017.

## **Confirmations**

None of our Directors is or was a director of any listed company, whose shares have been or were suspended from being traded on any stock exchanges having nationwide terminals, during the last five years prior to the date of this Draft Red Herring Prospectus, during the term of his/her directorship in such company.

None of our Directors is or was, a director of any listed company, which has been or was delisted from any stock exchange, during the term of his/her directorship in such company.

Except for M/s. Bobson Industries and M/s. Orbit Industries, none of our sundry debtors are related to our Directors in any manner. For details, please refer to chapter titled "*Related Party Transactions*" on page 186 of this Draft Red Herring Prospectus.

None of our Directors have been or was identified as a wilful defaulter as defined under SEBI ICDR Regulations.

No proceedings or investigations have been initiated by SEBI against any company, the board of directors which comprise of any of the Directors of our Company.

No consideration, either in cash or shares or in any other form have been paid or agreed to be paid to any of our Directors or to the firms, trusts or companies in which they have an interest in, by any person, either to induce him to become or to help him qualify as a Director, or otherwise for services rendered by him or by the firm, trust or company in which he is interested, in connection with the promotion or formation of our Company.

## **Details of any arrangement or understanding with major shareholders, customers, suppliers or others**

Except for Praveen Bhatia and Alain Edmond Berset, nominees of Wifag Polytype Holding AG on our Board, who have been appointed pursuant to the share subscription and shareholders's agreement dated march 12, 2012 and deed of adherence dated october 20, 2014 entered into by the Company with Wifag-Polytype Holding AG, there is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any of our Directors was appointed on the Board. For details, please refer to chapter titled "*History and Certain Corporate Matters – Shareholders and other Material Agreements*" on page 161 of this Draft Red Herring Prospectus.

## **Borrowing Powers of the Board**

Pursuant to the resolution passed by the members at the AGM of the Company held on September 18, 2017, and in accordance with the provisions of the Companies Act and rules made there under, our Board has been authorized to borrow any sum of money from time to time notwithstanding that the money to be borrowed together with the money already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid up share capital

and free reserves of our Company, provided that the total outstanding amount so borrowed shall not exceed the limit of Rs. 10,000 Lakhs.

### **Payment or benefit to Directors of our Company**

The sitting fees/other remuneration paid to our Directors in the Financial Year 2016-17 are as follows:

#### **1. Terms of Appointment of Executive Directors**

##### **Ramswaroop Radheshyam Thard**

Ramswaroop Radheshyam Thard is a Director of our Company since 2011. He was re-appointed as a Managing Director of our Company for a period of five (5) years with effect from October 15, 2016 pursuant to a resolution passed by our Board on March 30, 2017 and is not subject to retirement by rotation. He was re-designated as Chairman & Managing Director pursuant to a resolution passed in Extra Ordinary General Meeting of the Company held on December 18, 2017. The following are the terms of remuneration:

<b>Sr. No</b>	<b>Remuneration</b>	<b>Details</b>
1.	Gross Salary including all allowances	Rs. 68.40 Lakhs per annum
2.	Perquisites	NA
3.	Others	NA

The value of the perquisites would be evaluated as per the Income Tax Rules, 1962, wherever applicable, and at cost in the absence of any such rules.

In the event in any financial year during the tenure of Ramswaroop Radheshyam Thard, our Company does not earn any profits or earns inadequate profit our Company may pay to Ramswaroop Radheshyam Thard, remuneration as per the provisions of Schedule V of the Companies Act.

##### **Naresh Radheshyam Thard**

Naresh Radheshyam Thard is a Director of our Company since 2011. He was appointed as a Managing Director of our Company with effect from February 1, 2012 and has been re-appointed on February 1, 2017 for a period of five years pursuant to a resolution passed by our Board on March 30, 2017 and is subject to retirement by rotation. He was re-designated as Joint-Managing Director pursuant to a resolution passed in Extra Ordinary General Meeting of the Company held on December 18, 2017. The following are the terms of remuneration:

<b>Sr. No</b>	<b>Remuneration</b>	<b>Details</b>
1.	Gross Salary including all allowances	Rs. 54.00 Lakhs per annum
2.	Perquisites	NA
3.	Others	NA

#### **2. Remuneration to Non-Executive Directors**

The details of remuneration paid to our Non-Executive Directors during Financial Year 2016-17 are as follows:

**Rs. in Lakhs**

Name of Director	Sitting fees*	Commission	Other remuneration, if any
Praveen Bhatia	0.40	NIL	NIL
Alain Edmond Berset	0.40	NIL	NIL
Sajjankumar Rungta	0.20	NIL	NIL

*\*The Board has approved payment of sitting fees at its meeting held on September 8, 2016.*

### 3. Sitting fees paid to our Directors

Our non-executive Directors are paid sitting fees for attending each meeting of the Board and committees thereof are as under:

Nature of meeting	Sitting fees
Board meeting	Rs. 0.15 Lakhs*
Committee meeting	NA

*\*The sitting fees for Board meeting has been revised with effect from December 18, 2017 from Rs. 0.10 Lakhs to Rs. 0.15 Lakhs.*

### Shareholding of Directors in our Company

As per our AOA, our Directors are not required to hold any qualification shares.

The shareholding of our Directors in our Company as on the date of this Draft Red Herring Prospectus is set forth below:

Name of director	Number of equity shares	Percentage shareholding (%)
Ramswaroop Radheshyam Thard	20,41,158	25.59
Naresh Radheshyam Thard	16,79,178	21.05
<b>Total</b>	<b>37,20,336</b>	<b>46.64</b>

### Appointment of relatives of our Directors to any office or place of profit

None of the relatives of our Directors currently hold any office, or place of profit in our Company.

### Interest of directors

All Directors may be deemed to be interested to the extent of sitting fees payable to them for attending meetings of the Board or a Committee thereof and as well as to the extent of reimbursement of expenses payable to them under the Articles. Our Executive Directors are interested to the extent of remuneration, discretionary performance, variable pay and annual retention bonus payable to them for services rendered as an officer or employee of our Company. Our Independent Directors are also interested to the extent of profit related commission payable to them. The Directors may also be deemed to be interested in the Equity Shares, if any, held by them and/or any Equity Shares that may be held by their relatives, the companies, firms and trusts, in which they are interested as directors, members, partners, trustees, beneficiaries and promoters and in any dividend distribution which may be made by our Company in the future. For the shareholding of the Directors, please refer to chapter titled “Our Management - Shareholding of Directors in our Company” beginning on page 171 of this Draft Red Herring Prospectus.

All of the Directors may also be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company in which they hold directorships or any partnership firm in which they are partners as declared in their respective capacity. Except as otherwise stated in chapter titled “*Related Party Transactions*” on page 186 of this Draft Red Herring Prospectus, our Company has not entered into any contract, agreements or arrangements during two years preceding the date of this Draft Red Herring Prospectus in which the Directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements, arrangements which are proposed to be made with them. Other than our promoter directors, none of the other Directors have any interest in the promotion of our Company other than in the ordinary course of business.

### **Interest in property**

Our Directors have no interest in any property acquired by our Company in two (2) years prior to the date of this Draft Red Herring Prospectus, or proposed to be acquired by our Company.

### **Business interest**

Except as stated in chapter titled “*Related Party Transactions*” on page 186 of this Draft Red Herring Prospectus, and to the extent of shareholding in our Company, and any dividends payable to them and other distributions in respect of the Equity Shares, our Directors do not have any other interest in our business.

### **Payment of benefits (non-salary related)**

Except as disclosed above, no amount or benefit has been paid or given within the two (2) years preceding the date of filing of this Draft Red Herring Prospectus or is intended to be paid or given to any of our Directors except the normal remuneration for services rendered and/or sitting fees as Directors.

### **Loans to directors**

No loans have been availed by the Directors from our Company.

None of the beneficiaries of loans, advances and sundry debtors, except for M/s. Bobson Industries and M/s. Orbit Industries, are related to the Directors of our Company. For details, please refer to chapter titled “*Related Party Transactions*” on page 186 of this Draft Red Herring Prospectus.

### **Bonus or profit sharing plan for the Directors**

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

### **Service contracts with Directors**

Except for the contracts of service dated December 27, 2017 entered into by our Company with Ramswaroop Radheshyam Thard and Naresh Radheshyam Thard respectively, our Company has not entered into any other contracts of service with our Directors which provide for benefits upon termination of employment of our Directors. The said contracts of service may be inspected at the Registered Office between 10 a.m. and 5 p.m. (IST) on all Working Days from the date of this Draft Red Herring Prospectus until the Bid/Issue Closing Date.

Our Directors are not interested in the appointment of or acting as Registrar and Bankers to the Issue or any such intermediaries registered with SEBI. There is no contingent or deferred compensation accrued for the year, which is payable to our Directors.

### Changes in the board of directors in the last three (3) years

There has been no change in the Board of Directors, except as stated below during the last three (3) years:

Name of the Director	Designation	Date of appointment	Date of cessation	Reason
Praveen Bhatia	Nominee Director	June 26, 2015	--	Appointment
Alain Edmond Berset	Nominee Director	May 2, 2016	--	Appointment
Prabuddha Das Gupta	Non-Executive Independent Director	November 20, 2017	--	Appointment
Rajesh Satyanarayan Murarka	Non-Executive Independent Director	November 20, 2017	--	Appointment
Meenakshi Ahuja	Non-Executive Independent Director	November 20, 2017	--	Appointment
Peter Ruth	Nominee Director	July 1, 2013	April 27, 2015	Withdrawal of nomination by Longrow Investments Limited
Roger Schmidt	Nominee Director	July 25, 2015	February 19, 2016	Withdrawal of nomination by Wifag Polytype Holding AG

### Corporate Governance

In addition to the applicable provisions of the Companies Act with respect to corporate governance, provisions of SEBI Listing Regulations to the extent applicable to the entity whose shares are listed on NSE EMERGE will also be applicable to us immediately upon the listing of our Equity Shares with the NSE EMERGE. We are in compliance with the requirements of the applicable regulations, including SEBI Listing Regulations, SEBI regulations and the Companies Act 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 Listing Regulations. The Board functions either as a full board or through various committees constituted to oversee specific functions. Our executive management provides our Board, detailed reports on its performance periodically.

As on the date of this Draft Red Herring Prospectus, our Board has eight (8) Directors. In compliance with the requirements of the Companies Act and SEBI Listing Regulations, to the extent applicable we have two (2) executive Directors, one (1) non-executive Director, three (3) Independent Directors and two (2) nominee Directors on our Board. Our Chairman & Managing Director is an Executive Director and further, in compliance with SEBI Listing Regulations and Companies Act, we have one (1) woman director on our Board, who is an Independent Director.

### Committees of the Board of directors

Our Board of Directors presently has four (4) committees which have been constituted in accordance with the relevant provisions of the Companies Act and SEBI Listing Regulations: (i) Audit Committee, (ii) Nomination and Remuneration Committee (iii) Corporate Social Responsibility Committee and (iv) IPO Committee.

#### (i) Audit Committee

The Audit Committee was constituted by a resolution of our Board dated November 20, 2017. The current constitution of the Audit Committee is as follows:

<b>Name of Director</b>	<b>Position in the Committee</b>	<b>Designation</b>
Rajesh Satyanarayan Murarka	Chairperson	Non-Executive Independent Director
Meenakshi Ahuja	Member	Non-Executive Independent Director
Ramswaroop Radheshyam Thard	Member	Managing Director
Prabuddha Das Gupta	Member	Non-Executive Independent Director

The scope and function of the Audit Committee is in accordance with section 177 of the Companies Act and its terms of reference inter alia include the following:

- Recommending to the Board, the appointment, re-appointment including the filling of a casual vacancy and, if required, the replacement or removal of the auditor/s, remuneration and terms of appointment of auditors;
- review and monitor the auditor's independence and performance, and effectiveness of audit process;
- examination of the company's financial statements and the auditor's report;
- approval including omnibus approval or any subsequent modification for related party transactions proposed to be entered into by the Company;
- scrutiny of inter -corporate loans and investments;
- valuation of undertakings or assets of the Company, wherever it is necessary;
- evaluation of internal financial controls and risk management systems;
- monitoring the end use of funds raised through public offers and related matters;
- reviewing, with the management, the financial statements before submission to the Board for approval;
- reviewing, with the management, performance of Auditors and internal auditors;
- carrying out such other functions as delegated by the Board of Directors.

## **(ii) Nomination and Remuneration Committee**

The Nomination and Remuneration committee was constituted by a resolution of our Board dated November 20, 2017. The current constitution of the Nomination and Remuneration committee is as follows:

<b>Name of Director</b>	<b>Position in the Committee</b>	<b>Designation</b>
Praveen Bhatia	Chairperson	Non-Executive Director
Prabuddha Das Gupta	Member	Non-Executive Independent Director
Rajesh Satyanarayan Murarka	Member	Non-Executive Independent Director

The scope and functions of the Nomination and Remuneration Committee are in conformity with the requirements of section 178 of the Companies Act. The terms of reference of the Nomination and Remuneration Committee, inter alia includes the following:

- Identify persons who are qualified to become directors and who may be appointed in senior management of the Company;
- formulate criteria for determining qualification, positive attributes and independence of a director;
- recommend to the Board appointment and removal of a director and senior management;
- evaluate the Board's performance and carry out evaluation of directors, key managerial persons and senior management;
- evaluate the Board's performance and carry out evaluation of every director's performance;

- make recommendations to the Board relating to the remuneration for directors, key managerial personnel and other employees;
- ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors, key managerial personnel and senior management to run the Company successfully;
- ensure that remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.;
- delegate any of its powers to one or more of its members or the secretary of the Committee;
- consider such other key issues or matters as may be referred by the Board or as may be necessary in view of the provisions of the Act and Rules made thereunder.

**(iii) Corporate Social Responsibility Committee**

The Corporate Social Responsibility committee was constituted by a resolution of our Board dated October 22, 2016. The current constitution of the Corporate Social Responsibility committee is as follows:

<b>Name of Director</b>	<b>Position in the Committee</b>	<b>Designation</b>
Ramswaroop Radheshyam Thard	Member	Chairman & Managing Director
Naresh Radheshyam Thard	Member	Joint Managing Director
Praveen Bhatia	Member	Non-Executive Nominee Director
Prabuddha Das Gupta	Member	Non-Executive Independent Director

The scope and functions of the Corporate Social Responsibility committee are in conformity with the requirements of section 135 of the Companies Act. The terms of reference of the Corporate Social Responsibility Committee, inter alia includes the following:

- To formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company as per the Companies Act;
- To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the Company;
- To monitor the CSR Policy of the Company from time to time;
- Adhere to section 135 of the Companies Act & Companies (Corporate Social Responsibility Policy) Rules, 2014 (including any statutory modification & amendments or re-enactments thereto for time being in force);
- Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

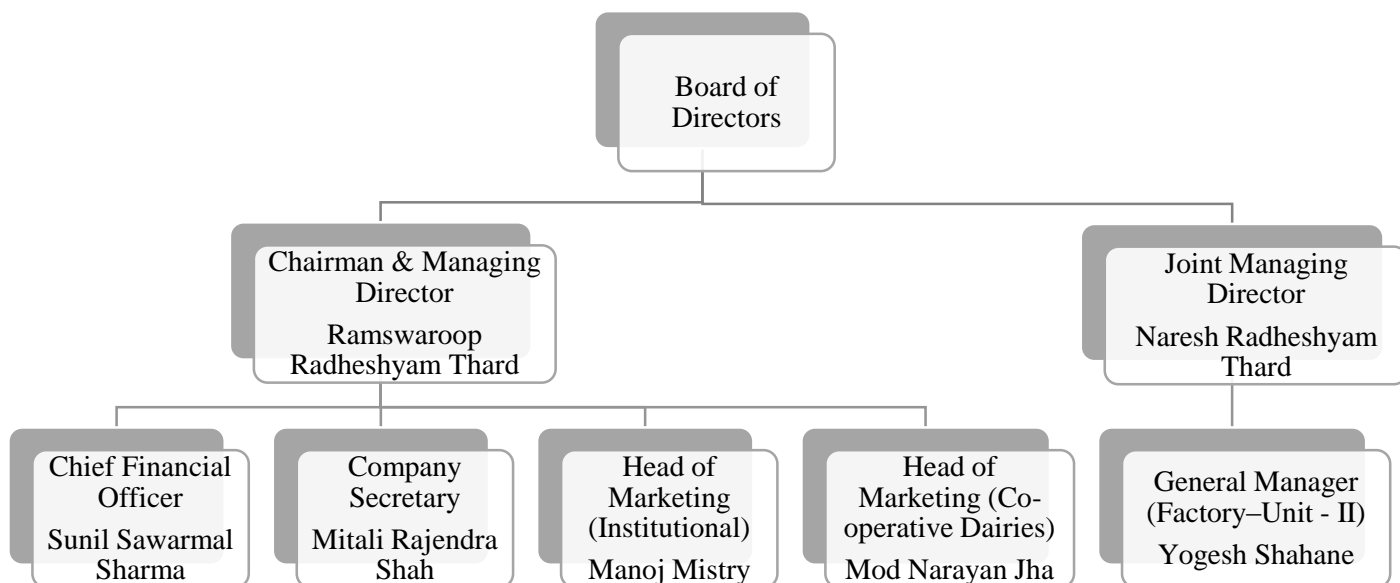
**(iv) IPO Committee**

The IPO Committee was constituted by a resolution of our Board dated November 20, 2017. The current constitution of the IPO committee is as follows:

<b>Name of Director</b>	<b>Position in the Committee</b>	<b>Designation</b>
Ramswaroop Radheshyam Thard	Chairperson	Chairman & Managing Director
Praveen Bhatia	Member	Non-Executive Nominee Director
Rajesh Satyanarayan Murarka	Member	Non-Executive Independent Director



## Management Organization Structure



The incharge of Factory Unit - I and Factory Unit - III report directly to Naresh Radheshyam Thard.

## Key Managerial Personnel

The following are the Key Managerial Personnel of our Company

**Ramswaroop Radheshyam Thard**, aged about forty four (44) years, is the Promoter, Chairman & Managing Director of our Company. For further details, in relation to Ramswaroop Radheshyam Thard, please refer to chapter titled “*Our Management*” beginning on page 164 of this Draft Red Herring Prospectus.

**Naresh Radheshyam Thard**, aged about forty two (42) years, is the Promoter and Joint Managing Director of our Company. For further details, in relation to Naresh Radheshyam Thard, please refer to chapter titled “*Our Management*” beginning on page 164 of this Draft Red Herring Prospectus.

**Mitali Rajendra Shah** aged twenty six (26) years, is the Company Secretary and Compliance Officer of our Company. She was appointed as a KMP by the Board of our Company on December 18, 2017 with effect from January 1, 2018. She is a member of the Institute of Company Secretaries of India. She has over eighteen (18) months of experience in corporate laws compliance and is currently responsible for handling legal and secretarial matters in our Company.

**Sunil Sawarmal Sharma**, aged thirty eight (38) years, is the Chief Financial Officer of our Company. He was appointed as a KMP by the Board of our Company on November 20, 2017. He holds a Higher Secondary Certificate of Commerce from Gangadhar Meher College, Sambalpur. He has over fifteen (15) years of experience in the fields of finance & accounting, administration, planning & dispatch and marketing. During the Financial Year 2016-17, he was paid a compensation of Rs. 6.41 Lakhs per annum.

All the KMPs of our Company are permanent employees of the Company.

## Nature of any family relation between any of the key managerial personnel

Except as stated below, none of our Directors or Key Managerial Personnel’s are related to each other:

Name	Designation	Relationship with Promoter
Ramswaroop Radheshyam Thard	Promoter, Chairman & Managing Director	Brother of Naresh Radheshyam Thard
Naresh Radheshyam Thard	Promoter and Joint Managing Director	Brother of Ramswaroop Radheshyam Thard

## Arrangement or understanding with major shareholders, customers, suppliers or others

There is no arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the above mentioned Key Managerial Personnel was selected as a director or member of senior management.

## Compensation paid to Key Managerial Personnel during last financial year i.e. 2016-2017

(Rs. In Lakhs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel				
		Managing Director	Joint Managing Director	Company Secretary	Chief Financial Officer	Total Amount
1.	Gross Salary	62.70	49.50	0.00*	6.41	118.61

	a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	62.70	49.50	0.00*	6.41	<b>118.61</b>
	b) Value of Perquisites u/s 17(2) of the Income Tax Act, 1961	NA	NA	NA	NA	<b>NA</b>
	c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	NA	NA	NA	NA	<b>NA</b>
2.	Stock Options	NA	NA	NA	NA	<b>NA</b>
3.	Sweat Equity	NA	NA	NA	NA	<b>NA</b>
4.	Commission	NA	NA	NA	NA	<b>NA</b>
	• As % of Profit	NA	NA	NA	NA	<b>NA</b>
	• Others, please specify	NA	NA	NA	NA	<b>NA</b>
5.	Retainership fees	NA	NA	NA	NA	<b>NA</b>
	<b>Total</b>	<b>62.70</b>	<b>49.50</b>	<b>0.00*</b>	<b>6.41</b>	<b>118.61</b>

*\*Remuneration of Rs. 5,000 was paid to Akash Jadia during the Financial Year 2016-17, who was appointed on March 20, 2017. He has resigned from the Company w.e.f. December 31, 2017.*

### **Bonus or profit sharing plan for Key Managerial Personnel**

None of the Key Management Personnel is party to any bonus or profit sharing plan of our Company other than the performance linked incentives given to each Key Management Personnel.

### **Shareholding of the Key Managerial Personnel**

None of the Key Managerial Personnel except Ramswaroop Radheshyam Thard and Naresh Radheshyam Thard holds Equity Shares of our Company as on the date of this Draft Red Herring Prospectus.

### **Changes in Key Managerial Personnel**

Except as mentioned below, there has been no change in Key Managerial Personnel during the last three (3) years:

<b>Name of KMP</b>	<b>Designation</b>	<b>Date of change</b>	<b>Reason</b>
Mitali Rajendra Shah	Company Secretary and Compliance Officer	January 1, 2018	Appointed as KMP
Akash Jadia	Company Secretary and Compliance Officer	December 31, 2017	Resigned
Ramswaroop Radheshyam Thard	Chairman & Managing Director	December 18, 2017	Designated as Chairman
Naresh Radheshyam Thard	Joint Managing Director	November 20, 2017	Designated as Joint Managing Director
Sunil Sawarmal Sharma	Chief Financial Officer	November 20, 2017	Designated as Chief Financial Officer
Akash Jadia	Company Secretary and Compliance Officer	March 20, 2017	Appointed as KMP
Ramswaroop Radheshyam Thard	Managing Director	October 15, 2016	Reappointed

### **Interest of Key Managerial Personnel**

Except as disclosed in this Draft Red Herring Prospectus, the Key Managerial Personnel of our Company do not have any interest in our Company other than to the extent of their shareholding,

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.

#### **Loans taken by Directors or Key Managerial Personnel**

None of our Directors or Key Managerial Personnel, except Sunil Sawarmal Sharma, have taken any loans from our Company.

#### **Employees' Stock Option Plan**

As on date of this Draft Red Herring Prospectus, our Company does not have any employee stock option scheme.

#### **Payment or benefits to officers of our Company**

Except as disclosed in this Draft Red Herring Prospectus, other than statutory payments and remuneration, in the last two (2) years our Company has not paid any non-salary amount or benefit to any of its officers.

#### **Service Contracts with KMPs**

Except for the contracts of service dated December 27, 2017 entered into by our Company with Ramswaroop Radheshyam Thard and Naresh Radheshyam Thard respectively, none of our other KMPs have entered into any contractual arrangement with our Company and employment of our KMPs is governed by the terms of appointment and policies of our Company.

Ramswaroop Radheshyam Thard and Naresh Radheshyam Thard will be paid certain benefits upon termination of their respective contracts of service dated December 27, 2017. The said contracts of service may be inspected at the Registered Office between 10 a.m. and 5 p.m. (IST) on all Working Days from the date of this Draft Red Herring Prospectus until the Bid/Issue Closing Date.

## OUR PROMOTERS AND PROMOTER GROUP


### Our Promoters

The Promoters of our Company are Ramswaroop Radheshyam Thard, Naresh Radheshyam Thard and Sajjan N. Rungta HUF.


As on date of this Draft Red Herring Prospectus, our Promoters hold 54,45,468 Equity Shares, representing 68.27% of the subscribed and paid-up Equity Share capital of our Company.

### Details about our Promoters

#### Ramswaroop Radheshyam Thard

	<p>Ramswaroop Radheshyam Thard, aged 44 years is a Promoter, Chairman &amp; Managing Director of our Company.</p> <p>Voter ID number – ZMH6956460</p> <p>Driving License – MH04 20100041673</p> <p>As on date of filing of this Draft Red Herring Prospectus, Ramswaroop Radheshyam Thard holds 20,41,158 Equity Shares representing 25.59% of the subscribed and paid-up Equity Share capital of our Company.</p> <p>For a complete profile of Ramswaroop Radheshyam Thard, i.e. his personal address, educational qualifications, experience, positions / posts held in the past, other directorships, please refer to chapter “<i>Our Management</i>” beginning on page 164 of this Draft Red Herring Prospectus.</p> <p>Except as disclosed in this chapter and in chapters titled “<i>Our Management</i>” and “<i>History and Certain Corporate Matters</i>” beginning on pages 164 and 156 of this Draft Red Herring Prospectus, respectively, Ramswaroop Radheshyam Thard is not involved in any other venture.</p>
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#### Naresh Radheshyam Thard

	<p>Naresh Radheshyam Thard, aged 42 years is a Promoter and Joint Managing Director of our Company.</p> <p>Voter ID number – Applied for</p> <p>Driving License – MH04/2000/26412</p> <p>As on date of filing of this Draft Red Herring Prospectus, Naresh Radheshyam Thard holds 16,79,178 Equity Shares representing 21.05% of the subscribed and paid-up Equity Share capital of our Company.</p>
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	<p>For a complete profile of Naresh Radheshyam Thard, i.e. his personal address, educational qualifications, experience, positions / posts held in the past, other directorships, please refer to chapter titled “<i>Our Management</i>” beginning on page 164 of this Draft Red Herring Prospectus.</p> <p>Except as disclosed in this chapter and in chapters titled “<i>Our Management</i>” and “<i>History and Certain Corporate Matters</i>” beginning on pages 164 and 156 of this Draft Red Herring Prospectus, respectively, Naresh Radheshyam Thard is not involved in any other venture.</p>
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### **Sajjan N. Rungta HUF**

Sajjan N. Rungta HUF came into existence on December 3, 1979 and its members are Sajjankumar N. Rungta, Champadevi S. Rungta & Anand S. Rungta. Sajjankumar N. Rungta is the karta of Sajjan N. Rungta HUF.

Pan Card No.– AANHS0234B

As on date of filing of this Draft Red Herring Prospectus, Sajjan N. Rungta HUF holds 17,25,132 Equity Shares representing 21.63% of the subscribed and paid-up Equity Share capital of our Company.

Except as disclosed in this chapter and in chapters titled “*Our Management*” and “*History and Certain Corporate Matters*” beginning on pages 164 and 156 of this Draft Red Herring Prospectus, respectively, Sajjan N. Rungta HUF is not involved in any other venture.

### **Other ventures of our Promoters**

Except as disclosed herein below and in the section “*Our Management*” beginning on page 164 of this Draft Red Herring Prospectus, our Promoters are not involved with any other venture:

<b>Name of the Promoter</b>	<b>Name of the venture</b>	<b>Nature of Interest</b>
Ramswaroop Radheshyam Thard	M/s. Orbit Industries (Partnership Firm)	Partner
	M/s. S. R. Plastics (Partnership Firm)	Partner
	M/s. Rajshree Infotech (Partnership Firm)	Partner
	Poly Pack Plastic Industries, Qatar	49% shareholding
	Ramswaroop Thard HUF	Karta
Naresh Radheshyam Thard	M/s. Bobson Industries (Partnership Firm)	Partner
	M/s. Orbit Industries (Partnership Firm)	Partner
	M/s. S. R. Plastics (Partnership Firm)	Partner
	M/s. Rajshree Infotech (Partnership Firm)	Partner
	Naresh Thard HUF	Karta

### **Other Undertakings and Confirmation**

Our Company confirms that copies of documents related to the permanent account number, bank account number and passport number (as may be applicable) of Ramswaroop Radheshyam Thard, Naresh Radheshyam Thard and Sajjan N. Rungta HUF will be submitted to the NSE EMERGE at the time of filing this Draft Red Herring Prospectus.

## **Change in the management and control of Our Company**

Our Promoters are the original promoters of our Company and there has not been any change in the management or control of our Company.

## **Experience of our promoters in the business of Our Company**

Our Promoters Ramswaroop Radheshyam Thard and Naresh Radheshyam Thard have experience in this sector of business for twenty (20) and nineteen (19) years respectively.

For further details in this regard, please refer to chapter titled “*Our Management*” beginning on page 164 of this Draft Red Herring Prospectus.

## **Interest of Promoters in our Company**

Our Promoters are interested in our Company to the extent they have promoted our Company and to the extent of their shareholding and the dividend receivable, if any and other distributions in respect of the Equity Shares held by them. For details regarding the shareholding of our Promoters in our Company, please refer to chapter titled “*Capital Structure*” beginning on page 66 of this Draft Red Herring Prospectus.

Ramswaroop Radheshyam Thard and Naresh Radheshyam Thard are also interested in our Company to the extent of the terms of their contracts of service dated December 27, 2017 entered into with our Company. The said contracts of service may be inspected at the Registered Office between 10 a.m. and 5 p.m. (IST) on all Working Days from the date of this Draft Red Herring Prospectus until the Bid/Issue Closing Date.

Except in the normal course of business and as stated in the section titled “*Financial Statements*” beginning on page 188 of this Draft Red Herring Prospectus and in the preceding paragraph, our Company has not entered into any contracts, agreements or arrangements in which our Promoters are directly or indirectly interested and no payments have been made to our Promoters in respect of the contracts, agreements or arrangements which are proposed to be made with them.

Except as stated in the chapter titled “*Related Party Transactions*” on page 186 of this Draft Red Herring Prospectus, none of our Promoters are related to any of the sundry debtors of our Company.

Except as disclosed in this Draft Red Herring Prospectus, our Promoters are not interested as a member of a firm or company, and no sum has been paid or agreed to be paid to our Promoters or to such firm or company in cash or shares or otherwise by any person for services rendered by it or by such firm or company in connection with the promotion or formation of our Company. For further details, please refer to the chapter titled “*Related Party Transactions*” on page 186 of this Draft Red Herring Prospectus.

## **Payment or benefits to our Promoters in the last two years**

Except in the ordinary course of business and as stated in section “*Financial Statements*” beginning on page 188 of this Draft Red Herring Prospectus, there has been no payment or benefits to our Promoters during the two (2) years preceding the date of filing of this Draft Red Herring Prospectus, nor is there any intention to pay or give any benefit to our Promoters as on the date of this Draft Red Herring Prospectus. For the avoidance of doubt, it is clarified that payments have been made to Ramswaroop Radheshyam Thard and Naresh Radheshyam Thard pursuant to their appointment / re-appointment as managing directors of our Company during the two (2) years preceding the date of filing of this Draft Red Herring Prospectus.

### **Interests of Promoters in property of our Company**

Our Registered Office has been taken on lease from M/s. Rajshree Infotech, a firm in which two (2) of our Promoters are partners. Except as stated herein, our Promoters have no interest in any property acquired or proposed to be acquired by our Company within the two (2) years from the date of filing of this Draft Red Herring Prospectus, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

### **Related party transactions**

For details of related party transactions entered into by our Promoters and Promoter Group during the last five (5) Financial Years, the nature of transactions and the value of transactions, please refer to chapter titled "*Related Party Transactions*" on page 186 of this Draft Red Herring Prospectus.

### **Interest of Promoters in Sales and Purchases**

Other than as disclosed in chapter titled "*Related Party Transactions*" on page 186 of this Draft Red Herring Prospectus, there are no sales/purchases between our Company and our Promoters and Promoter Group, where such sales or purchases exceed in value the aggregate of 10% of the total sales or purchases of our Company or any business interest between our Company, our Promoters and Promoter Group as on the date of the last financial statements.

### **Litigation involving our Promoters**

For details of legal and regulatory proceedings involving our Promoters, please refer to chapter titled "*Outstanding Litigation and Material Developments*" beginning on page 277 of this Draft Red Herring Prospectus.

### **Confirmations**

Our Promoters have not been declared as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI and except as disclosed under chapter titled "*Outstanding Litigations and Material Developments*" at page 277 of this Draft Red Herring Prospectus there are no violations of securities laws committed by our Promoters in the past and no proceedings for violation of securities laws are pending against our Promoters.

Our Promoters and members of our Promoter Group have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority. There is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority during the last five (5) years preceding the date of this Draft Red Herring Prospectus against our Promoters, except as disclosed under chapter titled "*Outstanding Litigation and Material Developments*" beginning on page 277 of this Draft Red Herring Prospectus.

Our Promoters are not and have never been a promoter or person in control of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or government authority.

Our Promoters are not interested in any entity except our Company, M/s. Bobson Industries, M/s. Orbit Industries, M/s. Rajshree Infotech, M/s. S. R. Plastics and Poly Pack Plastic Industries, Doha, Qatar. Further, M/s. Bobson Industries and M/s. S. R. Plastics own some of the intellectual property rights that are used by our Company.

Our Promoters have not taken any unsecured loans which may be recalled by the lenders at any time.



## Relationship of our Promoters with our Directors and our Key Managerial Personnel

Except as stated below, none of our Directors or Key Managerial Personnel's and Promoter are related to each other:

Name	Designation	Relationship with Promoter
Ramswaroop Radheshyam Thard	Promoter, Chairman & Managing Director	Brother of Naresh Radheshyam Thard
Naresh Radheshyam Thard	Promoter and Joint Managing Director	Brother of Ramswaroop Radheshyam Thard
Sajjan Kumar Rungta	Non-executive Director	Karta of Sajjan N. Rungta HUF

## Companies with which our Promoters have disassociated in the last three (3) years

Our Promoters have not disassociated themselves from any company or firm during the three (3) years preceding this Draft Red Herring Prospectus.

## Our Promoter Group

### A. Natural persons who are part of the Promoter Group

1. Shashi Ramswaroop Thard;
2. Varsha Naresh Thard;
3. Vyom Ramswaroop Thard (minor);
4. Vivaan Naresh Thard (minor);
5. Chanchal Ramswaroop Thard (minor);
6. Mahak Naresh Thard (minor);
7. Aarushi Naresh Thard (minor);
8. Sajjankumar Nanikram Rungta;
9. Champadevi Sajjankumar Rungta;
10. Anand Sajjankumar Rungta;
11. Pinki Rungta Lath;
12. Sushila Saraogi;
13. Suman Agrawal;
14. Nisha Bhauwala;
15. Saroj Modi;
16. Asha Gupta; and
17. Santosh Bhartiya.

### B. Our Promoter Group as defined under Regulation 2(1)(zb) of SEBI ICDR Regulations includes entities, companies, firms, proprietorships and HUFs which form part of our Promoter Group are as follows:

1. Ramswaroop Thard HUF;
2. Naresh Thard HUF;
3. M/s. Bobson Industries;
4. M/s. Orbit Industries;
5. M/s. S. R. Plastics;
6. M/s. Rajshree Infotech; and
7. Poly Pack Plastic Industries, Doha, Qatar

## OUR GROUP COMPANIES

As per the SEBI ICDR Regulations for the purpose of identification of group companies, our Company has considered companies covered under the applicable accounting standard, (i.e. Accounting Standard 18 issued by the Institute of Chartered Accountants of India (“AS 18”)) as per the restated Financial Statements for the six months ended September 30, 2017 and Fiscal 2017, 2016, 2015, 2014 and 2013, and other companies as per the materiality policy adopted by our Board through its resolution dated November 20, 2017, for the purpose of disclosure in connection with the Issue.

Pursuant to a resolution of our Board dated November 20, 2017 for the purpose of disclosure in offer documents, a company will be a material group company if such company being part of the Promoter Group as defined under SEBI ICDR Regulations and our Company has entered into one or more transactions such that, individually or in aggregate such transaction exceeds 10% of the net worth or 5% of the gross turnover (whichever is higher) of the Company as per the as per the restated Financial Statements for the six months ended September 30, 2017 and Fiscal 2017, 2016, 2015, 2014 and 2013.

Accordingly, a company shall be considered as material and disclosed as a group company if it:

- (i) is a member of the Promoter Group and has entered into one or more transactions such that, individually or in aggregate such transaction exceeds 10% of the net worth or 5% of the gross turnover (whichever is higher) of the Company as per the as per the restated Financial Statements for the six months ended September 30, 2017 and Fiscal 2017, 2016, 2015, 2014 and 2013; and
- (ii) companies which, subsequent to the date of the last audited financial statements of our Company, would require disclosure in the financial statements of our Company for subsequent periods as entities covered under AS 18 in addition to/other than those companies covered under AS 18, in the financial statements of our Company included in this Draft Red Herring Prospectus.

For avoidance of doubt, it is clarified that partnership firms included in the related parties have not been considered as “Group Companies”.

Based on the above, as on the date of this Draft Red Herring Prospectus, there are no Group Companies of our Company.

## **RELATED PARTY TRANSACTIONS**

For details of the related party transactions, as per the requirements under the relevant accounting standards and as reported in the restated Financial Statements, please refer to the section titled “*Financial Statements*” beginning on page 188 of this Draft Red Herring Prospectus.

## DIVIDEND POLICY

The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and the Companies Act. The dividend, if any, will depend on a number of factors, including but not limited to the future expansion plans and capital requirements, profit earned during the financial year, capital requirements, and surpluses, contractual restrictions, liquidity and applicable taxes including dividend distribution tax payable by our Company. In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under the loan or financing arrangements our Company is currently availing of or may enter into to finance our fund requirements for our business activities. For further details, please refer to chapter titled “*Financial Indebtedness*” beginning on page 271 of this Draft Red Herring Prospectus. Our Company may also pay interim dividends from time to time. All dividend payments are made in cash to the Shareholders of our Company. Our Company has not adopted any Dividend Distribution Policy as on the date of this Draft Red Herring Prospectus since the requirements under Regulation 43A of SEBI Listing Regulations are not applicable to the Company. However, depending upon the availability of distributable profits and fund flow, dividends may be recommended by the Board of Directors.

Except for Financial Years 2015-16, 2016-17 and 2017-18, our Company has not declared and/or paid any dividend on the Equity Shares during the last five (5) Financial Years.

The details of dividends on the Equity Shares paid by our Company in the last five (5) Financial Years and the six (6) months ended September 30, 2017 as per the audited restated financial information are as follows:

Particulars	For the six months ended September 30, 2017	For the year ended March 31,				
		2017	2016	2015	2014	2013
<b>Equity Shares</b>						
Equity Share Capital (Rs. in Lakhs)	797.61	797.61	265.87	245.87	245.87	245.87
Face Value per Equity Share (in Rs.)	10.00	10.00	10.00	10.00	10.00	10.00
Interim Dividend on Equity Shares (Rs. in Lakhs)	--	59.82	99.15	--	--	--
Final Dividend on Equity Shares (Rs. in Lakhs)	59.81*	--	26.59	--	--	--
Total Dividend on Equity Shares (Rs. in Lakhs)	59.81	59.82	125.74	--	--	--
Total Dividend Tax (Rs. in Lakhs)	12.18	12.18	25.60	--	--	--
Rate of Dividend (interim/final) (%)	7.50%	7.50%	40%/10%	--	--	--
Total Dividend per Equity Share (in Rs.)	0.75	0.75	4.00%	--	--	--

\*Pertains to Fiscal 2017.

The amount paid as dividends in the past is not necessarily indicative of our dividend policy or dividend amount, if any, in the future and there is no guarantee that any dividends will be declared or paid or that the amount thereof will not be decreased in future. For details in relation to the risk involved, please refer to section titled “*Risk Factors -Our ability to pay dividends in the future will depend inter alia upon available financial resources, investment requirements and taking into account optimal shareholder return*” on page [•] of this Draft Red Herring Prospectus.

**SECTION VI – FINANCIAL STATEMENTS**

**FINANCIAL STATEMENTS AS RESTATED**

<b>Particulars</b>	<b>Page No.</b>
Restated Financial Statements	188

**INDEPENDENT AUDITOR'S REPORT ON RESTATED FINANCIAL INFORMATION AS  
REQUIRED UNDER SECTION 26 OF COMPANIES ACT, 2013, READ WITH RULE 4 OF  
COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014**

**The Board of Directors**

**Rajshree Polypack Limited**

**(Formerly known as Rajshree Polypack Private Limited)**

Lodha Supremus

Unit No. 503-504, 5<sup>th</sup> Floor,

Road No. 22, Kishan Nagar, Near New Passport Office,

Wagle Estate, Thane (West) - 400604.

Dear Sirs,

1. We have examined the attached Restated Financial Information of **Rajshree Polypack Limited** (the "Company"), which comprises of the Restated Statement of Assets and Liabilities as at September 30, 2017 and March 31, 2017, 2016, 2015, 2014 and 2013, the Restated Statement of Profit and Loss and the Restated Statement of Cash Flows for the half year ended September 30, 2017 and for each of the years ended March 31, 2017, 2016, 2015, 2014 and 2013 respectively, and the Significant Accounting Policies (collectively, the "Restated Financial Information") as approved by the Board of Directors of the Company at their meeting held on December 18, 2017 for the purpose of inclusion in the Draft Red Herring Prospectus / Red Herring Prospectus / Prospectus ("Offer Documents") prepared by the Company in connection with its proposed Initial Public Offer ("IPO") of equity shares prepared in terms of the requirements of :
  - a. Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act") read with Rule 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended ("the Rules");
  - b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time in pursuance of provisions of Securities and Exchange Board of India Act, 1992 ("ICDR Regulations"); and
  - c. The Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by the Institute of Chartered Accountants of India as amended from time to time (the "Guidance Note").

The preparation of the Restated Financial Information is the responsibility of the management of the Company for the purpose set out in paragraph 10 below. The management's responsibility includes designing, implementing and maintaining adequate internal controls relevant to the preparation and presentation of the Restated Financial Information. The management is also responsible for identifying and ensuring that the Company complies with the Act, the Rules, ICDR Regulations and the Guidance Note. Our responsibility is to examine the Restated Financial Information and confirm whether such Restated Financial Information comply with the requirements of the Act, the Rules, ICDR Regulations and the Guidance Note.

2. We have examined such Restated Financial Information taking into consideration:

- a. The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated December 1, 2017 in connection with the proposed offer of equity shares of the Company;
  - b. The Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by the Institute of Chartered Accountants of India (ICAI); and
  - c. The Guidance Note on Reports or Certificates for Special Purposes (Revised 2016), which includes the concepts of test checks and materiality. This Guidance Note requires us to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information. This Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
3. These Restated Financial Information have been compiled by the management from the audited Financial Statements of the Company as at and for the half year ended September 30, 2017 and as at the year ended March 31, 2017, 2016, 2015, 2014 and 2013 respectively, which have been approved by Board of Directors at their meetings held on December 18, 2017, August 31, 2017, September 8, 2016, September 4, 2015, September 25, 2014, September 5, 2013 respectively.
  4. We have also examined the financial information of the Company for the period April 1, 2017 to September 30, 2017 prepared and approved by the Board of Directors for the purpose of disclosure in the Offer Documents of the Company.

Based on the above, we report that in our opinion and according to the information and explanations given to us, the above interim financial information are in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act, as applicable and the interim financial information are presented with the Restated Financial Information appropriately.

5. Based on our examination in accordance with the requirements of Section 26 of Part I of Chapter III of the Act read with, Rules 4 to 6 of the Rules, ICDR Regulations and the Guidance Note, we report that:
  - a. The Restated Statement of Assets and Liabilities of the Company as at September 30, 2017, and as at March 31, 2017, 2016, 2015, 2014 and 2013 examined by us, as set out in Annexure I to this report after making adjustments and regrouping/ reclassifications as in our opinion were appropriate and more fully described in Annexure IV-C- Statement of Material Adjustments and regroupings.
  - b. The Restated Statement of Profit and Loss of the Company for the half year ended September 30, 2017 and for the years ended March 31, 2017, 2016, 2015, 2014 and 2013 examined by us, as set out in Annexure II to this report after making adjustments and regrouping/ reclassifications as in our opinion were appropriate and more fully described in Annexure IV-C- Statement of Material Adjustments and regroupings.
  - c. The Restated Statement of Cash Flow of the Company for the half year ended September 30, 2017 and for the years ended March 31, 2017, 2016, 2015, 2014 and 2013 examined by us, as set out in Annexure III to this report after making adjustments and regrouping/ reclassifications as in our opinion were appropriate and more fully described in Annexure IV-C- Statement of Material Adjustments and regroupings.
  - d. Based on the above and according to the information and explanations given to us, we further report that the Restated Financial Information:

- i. have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policy for all the reporting periods;
  - ii. have been made after incorporating adjustments for the material amounts in the respective financial years to which they relate; and
  - iii. do not contain any extra-ordinary items that need to be disclosed separately and do not contain any qualification requiring adjustments.
  - iv. there were no qualifications in the Auditors' report for the relevant reporting periods, which require any adjustments to the Restated Financial Information.
6. We have also examined the following Restated Financial Information of the Company set out in the Annexures, proposed to be included in the Offer Documents, prepared by the management and approved by the Board of Directors on December 18, 2017 for the half year ended September 30, 2017 and for the year ended March 31, 2017, 2016, 2015, 2014 and 2013.

No.	Particulars	Annexures
1	Statement of Material Adjustments and regroupings to Audited Financial Statements	Annexure IV-C
2	Summary of Significant Accounting Policies	Annexure IV
3	Restated Statement of Share Capital	Annexure V
4	Restated Statement of Reserves and Surplus	Annexure VI
5	Restated Statement of Long Term Borrowing	Annexure VII
6	Restated Statement of Deferred Tax Liabilities	Annexure VIII
7	Restated Statement of Other Long-term Liabilities	Annexure IX
8	Restated Statement of Short-Term Borrowings	Annexure X
9	Restated Statement of Trade Payables	Annexure XI
10	Restated Statement of Other Current Liabilities	Annexure XII
11	Restated Statement of Short Term Provisions	Annexure XIII
12	Restated Statement of Fixed Assets	Annexure XIV
13	Restated Statement of Capital Work-in-Progress	Annexure XV
14	Restated Statement of Intangible Asset under Development	Annexure XVI
15	Restated Statement of Non-Current Investment	Annexure XVII
16	Restated Statement of Long-term Loans and Advances	Annexure XVIII
17	Restated Statement of Other Non-Current Assets	Annexure XIX
18	Restated Statement of Inventories	Annexure XX
19	Restated Statement of Trade Receivables	Annexure XXI
20	Restated Statement of Cash and Bank Balance	Annexure XXII
21	Restated Statement of Short Term Loans and Advances	Annexure XXIII
22	Restated Statement of Other Current Asset	Annexure XXIV
23	Restated Statement of Revenues from Operations	Annexure XXV
24	Restated Statement of Other Income	Annexure XXVI
25	Restated Statement of Cost of Materials Consumed	Annexure XXVII
26	Restated Statement of Purchase of Stock-in-Trade	Annexure XXVIII
27	Restated Statement of Inventories of Finished Goods and Stock-in-Trade	Annexure XXIX
28	Restated Statement of Employee Benefits Expenses	Annexure XXX



29	Restated Statement of Finance Cost	Annexure XXXI
30	Restated Statement of Other Expenses	Annexure XXXII
31	Statement of Dividend paid	Annexure XXXIII
32	Statement of Accounting Ratios	Annexure XXXIV
33	Statement of Capitalization	Annexure XXXV
34	Statement of Tax Shelter	Annexure XXXVI
35	Statement of Related Party Disclosures	Annexure XXXVII

In our opinion, the Restated Financial Information contained in Annexures I to XXXVII accompanying this report read with Summary of Significant Accounting Policies and Notes to Accounts as set out in Annexure IV and V to XXXVII respectively, are prepared after making adjustments and regroupings / reclassifications as considered appropriate and have been prepared in accordance with Section 26 of Part I of Chapter III of the Act read with Rule 4 to 6 of the Rules, ICDR Regulations and the Guidance Note.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
8. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
9. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
10. Our report is intended solely for use of the management and for inclusion in the Offer Documents to be filed with Securities and Exchange Board of India, Emerge platform of National Stock Exchange of India Limited and the Registrar of Companies, Mumbai in connection with the proposed issue of equity shares for the IPO by the Company. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

**For S G C O & Co. LLP**

Chartered Accountants

**Firm Registration No: 112081W/ W100184**

**Suresh Murarka**

Partner

**Membership No.: 044739**

Place: Mumbai

Date: December 18, 2017

**Annexure "I"****RESTATED STATEMENT OF ASSETS AND LIABILITIES****(Amount in Rs. Lakhs)**

Particulars	Annexures	As at September 30, 2017	As at March 31				
			2017	2016	2015	2014	2013
<b><u>EQUITY AND LIABILITIES</u></b>							
<b>Shareholder's funds</b>							
Share Capital	V	797.61	797.61	265.87	247.87	247.87	247.87
Reserves and Surplus	VI	3,544.75	3,142.98	2,868.82	2,153.92	2,081.54	2,084.78
		<b>4,342.36</b>	<b>3,940.59</b>	<b>3,134.69</b>	<b>2,401.79</b>	<b>2,329.41</b>	<b>2,332.65</b>
<b>Non-current Liabilities</b>							
Long-term borrowings	VII	1,676.94	1,984.44	1,868.15	2,170.10	2,141.18	1,098.10
Deferred tax liabilities (net)	VIII	467.44	476.49	370.26	64.32	26.97	49.02
Other Long-term liabilities	IX	-	-	28.84	107.46	154.13	-
		<b>2,144.38</b>	<b>2,460.93</b>	<b>2,267.25</b>	<b>2,341.88</b>	<b>2,322.28</b>	<b>1,147.12</b>
<b>Current Liabilities</b>							
Short-term borrowings	X	386.78	107.83	757.52	596.24	250.55	133.55
Trade payables	XI						
Total Outstanding amount due to Micro and Small Enterprises		11.06	11.81	6.17	5.81	-	-
Total Outstanding amount due to Others		693.09	685.05	716.16	613.52	451.19	272.29
Other current liabilities	XII	795.66	791.97	582.71	452.63	339.06	80.15
Short term provisions	XIII	60.01	148.12	136.74	38.95	17.65	28.12
		<b>1,946.60</b>	<b>1,744.78</b>	<b>2,199.30</b>	<b>1,707.15</b>	<b>1,058.45</b>	<b>514.11</b>
<b>Total Equity and Liabilities</b>		<b>8,433.34</b>	<b>8,146.30</b>	<b>7,601.24</b>	<b>6,450.82</b>	<b>5,710.14</b>	<b>3,993.88</b>
<b><u>ASSETS</u></b>							
<b>Non-Current Assets</b>							
Property Plant and Equipment	XIV						
Tangible assets		4,530.64	4,655.37	3,745.21	3,673.35	3,392.07	719.26
Intangible assets		14.50	14.24	23.43	-	-	-
Capital work in progress	XV	-	-	38.10	-	419.93	276.18
Intangible Asset under Development	XVI	-	-	-	34.29	27.80	15.24
Non - current investments	XVII	33.30	29.60	24.94	22.15	43.94	262.66
Long - term loans and advances	XVIII	290.62	293.31	563.85	234.28	219.77	1,029.03
Other Non - Current Assets	XIX	321.72	301.73	12.28	1.80	-	-
		<b>5,190.78</b>	<b>5,294.25</b>	<b>4,407.81</b>	<b>3,965.87</b>	<b>4,103.51</b>	<b>2,302.37</b>

Particulars	Annexures	As at September 30, 2017	As at March 31				
			2017	2016	2015	2014	2013
<b>Current Assets</b>							
Inventories	XX	1,121.52	1,299.29	733.59	805.73	612.55	310.42
Trade receivables	XXI	1,778.45	1,269.28	1,403.94	935.07	565.48	564.35
Cash and Bank Balance	XXII	206.97	102.41	927.39	452.43	58.68	765.23
Short - term loans and advances	XXIII	135.62	181.07	128.51	291.72	361.38	49.72
Other current Assets	XXIV	-	-	-	-	8.54	1.79
		<b>3,242.56</b>	<b>2,852.05</b>	<b>3,193.43</b>	<b>2,484.95</b>	<b>1,606.63</b>	<b>1,691.51</b>
<b>Total Assets</b>		<b>8,433.34</b>	<b>8,146.30</b>	<b>7,601.24</b>	<b>6,450.82</b>	<b>5,710.14</b>	<b>3,993.88</b>

The above statement should be read with the Significant Accounting Policies, appearing in Annexure IV B; Statement on adjustment to restated Financial statements, appearing in Annexure IV C; and summary statement of restated Financial information, appearing in Annexure IV D and Annexure V to XXXVII.

In terms of our report of even date  
**For S G C O & Co LLP**  
Chartered Accountants  
Firm Reg. No. 112081W/ W100184

For and on behalf of the Board of Directors of  
**Rajshree Polypack Limited**

**Suresh Murarka**  
Partner  
**Membership No. 044739**

**Ramswaroop Radheshyam Thard**  
Chairman & Managing Director  
**DIN: 02835505**

**Naresh Radheshyam Thard**  
Joint Managing Director  
**DIN: 03581790**

Place: Mumbai  
Date: December 18, 2017

**Akash Jadia**  
Company Secretary  
Place: Thane  
Date: December 18, 2017

**Sunil Sawarmal Sharma**  
Chief Financial Officer

**Annexure "II"****RESTATED STATEMENT OF PROFITS AND LOSS****(Amount in Rs. Lakhs)**

Particulars	Annexures	For the Period Ended September 30, 2017	For the Year Ended March 31				
			2017	2016	2015	2014	2013
<b>INCOME</b>							
Revenue from operation (Gross)	XXV	5,826.84	10,564.46	10,643.31	7,314.94	4,352.24	3,355.27
Less: Excise Duty		358.23	1,058.42	1,140.17	830.57	475.08	367.98
Revenue from operation (Net)		5,468.61	9,506.04	9,503.14	6,484.37	3,877.16	2,987.29
Other income	XXVI	22.09	114.37	48.49	20.71	23.83	65.40
<b>Total Revenue</b>		<b>5,490.70</b>	<b>9,620.41</b>	<b>9,551.63</b>	<b>6,505.08</b>	<b>3,900.99</b>	<b>3,052.69</b>
<b>EXPENSES</b>							
Cost of materials consumed	XXVII	3,009.19	5,133.19	5,018.86	3,666.49	2,431.25	1,731.24
Purchases of stock - in – trade	XXVIII	33.52	50.36	98.69	188.00	179.87	32.20
Changes in inventories of finished goods, Work-in-progress and stock in trade	XXIX	1.63	(330.95)	3.67	22.15	(331.55)	46.69
Employee benefits expense	XXX	420.81	740.71	700.00	505.91	326.33	233.67
Finance costs	XXXI	114.98	291.50	396.78	390.43	137.05	9.83
Depreciation and Amortization		270.41	486.14	416.10	379.44	281.74	89.08
Other expenses	XXXII	953.15	1,893.80	1,713.27	1,242.94	901.58	666.29
<b>Total Expenses</b>		<b>4,803.69</b>	<b>8,264.75</b>	<b>8,347.37</b>	<b>6,395.36</b>	<b>3,926.27</b>	<b>2,809.00</b>
<b>Restated Profit / (Loss) before tax</b>		<b>687.01</b>	<b>1,355.66</b>	<b>1,204.26</b>	<b>109.72</b>	<b>(25.28)</b>	<b>243.69</b>
<b>Less: Tax expenses</b>							
- Current tax		146.69	289.36	257.05	22.24	-	39.59
- MAT Credit Utilized		75.60	82.17	-	-	-	-
- MAT credit entitlement		-	-	(152.97)	(22.24)	-	(11.31)
- Deferred tax liability / (asset)		(9.04)	106.23	305.94	37.34	(22.04)	23.80
		<b>213.25</b>	<b>477.76</b>	<b>410.02</b>	<b>37.34</b>	<b>(22.04)</b>	<b>52.08</b>
<b>Restated Profit / (loss) for the year</b>		<b>473.76</b>	<b>877.90</b>	<b>794.24</b>	<b>72.38</b>	<b>(3.24)</b>	<b>191.61</b>

The above statement should be read with the Significant Accounting Policies, appearing in Annexure IV B; Statement on adjustment to restated Financial statements, appearing in Annexure IV C; and summary statement of restated Financial information, appearing in Annexure IV D and Annexure V to XXXVII.

In terms of our report of even date  
*For S G C O & Co LLP*  
Chartered Accountants  
Firm Reg. No. 112081W/ W100184

For and on behalf of the Board of Directors of  
**Rajshree Polypack Limited**

**Suresh Murarka**  
Partner  
**Membership No. 044739**

**Ramswaroop Radheshyam Thard**  
Chairman & Managing Director  
**DIN: 02835505**

**Naresh Radheshyam Thard**  
Joint Managing Director  
**DIN: 03581790**

Place: Mumbai  
Date: December 18, 2017

**Akash Jadia**  
Company Secretary  
Place: Thane  
Date: December 18, 2017

**Sunil Sawarmal Sharma**  
Chief Financial Officer

**RESTATED STATEMENT OF CASH FLOWS**

(Amount in Rs. Lakhs)

Particulars	For the Period Ended September 30, 2017	For the Year Ended March 31				
		2017	2016	2015	2014	2013
<b>A. Cash Flow from Operating Activities</b>						
<b>Profit / (Loss) before tax</b>	<b>687.01</b>	<b>1,355.66</b>	<b>1,204.26</b>	<b>109.72</b>	<b>(25.28)</b>	<b>243.69</b>
<u>Adjustments for:</u>						
Depreciation	270.41	486.14	416.10	379.44	281.74	89.08
Profit on sale of Investment	(2.63)	(0.05)	-	-	-	-
Loss on sale of Vehicle	0.06	0.14	-	-	-	-
Loss on sale of Investment	-	-	-	0.01	-	0.24
Finance costs	114.98	291.51	396.79	390.43	137.05	9.83
Provision for Doubtful Debts	-	-	0.50	-	1.36	2.24
Net Loss on Foreign Currency Translation	0.79	(75.27)	(25.01)	3.15	2.32	(7.62)
Dividend income	-	(0.13)	(0.40)	(0.82)	(10.88)	(48.95)
Interest income	(9.20)	(23.66)	(14.61)	(8.69)	(3.09)	(1.53)
<b>Operating Profit before Working Capital changes</b>	<b>1,061.42</b>	<b>2,034.34</b>	<b>1,977.63</b>	<b>873.24</b>	<b>383.22</b>	<b>286.98</b>
<u>Adjustments for:</u>						
(Increase) / Decrease in inventories	177.78	(565.72)	72.15	(193.19)	(302.12)	0.94
(Increase) / Decrease in trade receivables	(509.18)	134.67	(469.37)	(369.59)	(2.49)	(118.76)
(Increase) / Decrease in short term loans and advances	45.44	(52.57)	163.22	69.64	(311.65)	29.46
(Increase) / Decrease in long term loans & advances	(5.16)	(25.13)	(28.93)	(13.85)	(53.60)	(4.10)
(Increase) / Decrease in Other Current Asset	-	-	-	8.54	(6.74)	(0.63)
Increase/(Decrease) in trade payable	6.55	49.83	127.96	165.03	176.55	22.76
Increase/(Decrease) in short term provisions	28.59	(5.04)	11.52	0.06	4.00	6.52
Increase/(Decrease) in other current liabilities	(19.77)	52.66	52.49	(8.73)	43.32	23.12
<b>Cash generated from / (used in) operations</b>	<b>785.67</b>	<b>1,623.04</b>	<b>1,906.67</b>	<b>531.15</b>	<b>(69.51)</b>	<b>246.29</b>
Direct taxes Paid	(272.95)	(269.73)	(174.70)	(1.01)	(16.26)	(42.21)
<b>Net cash flow from / (used in) operating activities</b>	<b>512.72</b>	<b>1,353.31</b>	<b>1,731.97</b>	<b>530.14</b>	<b>(85.77)</b>	<b>204.08</b>

Particulars	For the Period Ended September 30, 2017	For the Year Ended March 31				
		2017	2016	2015	2014	2013
<b>B. Cash Flow from Investing Activities</b>						
Purchase of Property Plant and Equipment	(146.13)	(1,350.02)	(477.10)	(660.72)	(2,954.55)	(361.43)
Sale of Property Plant and Equipment	0.13	0.87	-	-	-	-
Capital Advances	(58.22)	210.30	(143.73)	21.58	864.65	(974.35)
Increase/(Decrease) in Creditors for Capital Goods	(0.48)	14.61	(80.80)	(71.39)	186.62	(1.66)
Intangible Asset under Development	-	-	-	(6.49)	(12.56)	(15.24)
Changes in Capital Work in Progress	-	-	(38.11)	419.93	(143.76)	(276.18)
Purchase of Investments	(7.20)	(12.40)	(2.80)	(2.40)	(2.40)	(262.66)
Sale of Investment	6.13	7.79	-	24.18	221.12	92.31
Investment in Fixed Deposits	(20.81)	(227.64)	8.00	(106.13)	70.15	(89.40)
Dividend received	-	0.13	0.40	0.82	10.88	48.95
Interest income	9.20	23.66	14.61	8.69	3.09	1.53
<b>Net cash flow from / (used in) investment activities</b>	<b>(217.38)</b>	<b>(1,332.70)</b>	<b>(719.53)</b>	<b>(371.93)</b>	<b>(1,756.76)</b>	<b>(1,838.13)</b>
<b>C. Cash Flow from Financing Activities</b>						
Repayment of Borrowings	55.95	(460.26)	(92.89)	-	-	-
Proceeds from Borrowings	-	-	-	521.64	1,343.19	1,140.86
Proceeds from issue of shares (Incl. Securities Premium)	-	-	90.00	-	-	-
Share issue Expenses	-	-	-	-	-	(73.90)
Final Dividend Paid (including Dividend Distribution Tax)	(48.39)	(32.00)	-	-	-	-
Interim Dividend Paid (including Dividend Distribution Tax)	(84.18)	-	(119.33)	-	-	-
Finance costs	(114.98)	(291.51)	(396.79)	(390.43)	(137.05)	(9.83)
<b>Net cash flow from / (used in) financing activities</b>	<b>(191.60)</b>	<b>(783.77)</b>	<b>(519.01)</b>	<b>131.21</b>	<b>1,206.14</b>	<b>1,057.13</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>103.74</b>	<b>(763.16)</b>	<b>493.43</b>	<b>289.42</b>	<b>(636.39)</b>	<b>(576.92)</b>
Cash and cash equivalents at the beginning of the year	54.77	817.93	324.50	35.08	671.47	1,248.39
<b>Cash and cash equivalents at the end of the year</b>	<b>158.51</b>	<b>54.77</b>	<b>817.93</b>	<b>324.50</b>	<b>35.08</b>	<b>671.47</b>

Cash and Cash Equivalents at the end of the year consists of cash in hand and balances with banks are as follows:

Particulars	For the Period Ended September 30, 2017	For the Year Ended March 31				
		2017	2016	2015	2014	2013
Cash on hand	5.00	15.57	18.49	14.48	13.76	6.40
Balances with Scheduled bank on current account	153.51	39.20	629.28	310.02	21.32	665.07
Fixed Deposit (original maturity less than three Months)	-	-	170.16	-	-	-
	<b>158.51</b>	<b>54.77</b>	<b>817.93</b>	<b>324.50</b>	<b>35.08</b>	<b>671.47</b>

**Note:**

- 1 The above statement should be read with the Significant Accounting Policies, appearing in Annexure IV B; Statement on adjustment to restated Financial statements, appearing in Annexure IV C; and summary statement of restated Financial information, appearing in Annexure IV D and Annexure V to XXXVII.
- 2 The above restated summary statement of cash flows has been prepared under the 'Indirect Method' as set out in the Accounting Standard - 3 on 'Cash Flow Statements'
- 3 The above summary statement of restated cash flows has been compiled from and is based on the summary statement of restated assets and liabilities as at September 30, 2017 and as at March 31, 2017, 2016, 2015, 2014 and 2013 and the related summary statement of profit and loss for the years ended on that date.

In terms of our report of even date  
**For S G C O & Co LLP**  
Chartered Accountants  
Firm Reg. No. 112081W/ W100184

For and on behalf of the Board of Directors of  
**Rajshree Polypack Limited**

**Suresh Murarka**  
Partner  
**Membership No. 044739**

**Ramswaroop Radheshyam Thard**  
Chairman & Managing Director  
**DIN: 02835505**

**Naresh Radheshyam Thard**  
Joint Managing Director  
**DIN: 03581790**

Place: Mumbai  
Date: December 18, 2017

**Akash Jadia**  
Company Secretary  
Place: Thane  
Date: December 18, 2017

**Sunil Sawarmal Sharma**  
Chief Financial Officer



## **Annexure "IV"**

### **NOTES TO FINANCIAL INFORMATION**

#### **A. Change of Status from Private Limited to Public Limited**

Consequent to the conversion of the company from Private Limited to Public Limited with effect from August 3, 2017, the name of the company has been changed from **RAJSHREE POLYPACK PRIVATE LIMITED** to **RAJSHREE POLYPACK LIMITED**.

#### **B. Significant Accounting Policies:**

##### **1. Overview**

Rajshree Polypack Limited ("the Company") is a company domiciled in India and incorporated under the provisions of Companies Act, 1956. The Company is engaged in the Business of Manufacturing and trading of Thermoformed Disposal Plastic Products & Plastic Rigid sheets.

##### **2. Basis of Accounting:**

The restated Statement of Assets and Liabilities of the Company as at September 30, 2017, March 31, 2017, 2016, 2015, 2014 and 2013 and the related restated Statement of Profit and Loss and Cash Flows for the Period ended September 30, 2017 and years ended March 31, 2017, 2016, 2015, 2014 and 2013 (collectively referred to as the "Restated Financial Information") have been prepared specifically for the purpose of inclusion in the offer document to be filed by the Company in connection with the proposed Initial Public Offering (hereinafter referred to as 'IPO').

The Restated Financial Information has been prepared by applying necessary adjustments to the financial statements ('financial statements') of the Company. The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India ("Indian GAAP") to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) regulations 2009, as amended (the "Regulations"). The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements have been consistent for the periods stated herein.

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and noncurrent.

##### **3. Use of Estimates:**

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the financial statements and the reported amounts of revenues and expenses during the reporting period.

Difference between actual results and estimates are recognized in the periods in which the results are known/ materialize.

##### **4. Revenue Recognition**

- i) Revenue is recognized when it is earned and no significant uncertainty exists as to its realization or collection.

- ii) Sales are recognized on dispatch of goods to customer when all significant risks and reward of ownership of the goods are passed on to the buyer.
  - iii) Interest is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.
  - iv) Dividend income is recognized when right to receive the payment is established.
  - v) Revenue in respect of export sales is recognized on shipment of products.
  - vi) Sales are inclusive of excise duty & exclusive of sales tax and are stated net of discounts, returns and rebates.
5. Purchases are stated inclusive of custom duty, clearing & forwarding charges and other direct expenses and net of discounts, returns, VAT and rate differences.

## **6. Inventories:**

Inventories are valued as follows:

- i) Raw Material are valued at lower of cost or net realizable value.
- ii) Work-in-progress and Finished Goods are measured at lower of cost and net realizable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition.
- iii) Packing Material are valued at lower of cost or net realizable value.
- iv) Printing Ink is valued at lower of cost or net realizable value.
- v) Stores and Spares are Valued at Cost.
- vi) Unusable wastage is valued at Net realizable value
- vii) Cost is arrived at on FIFO method.

## **7. Investments:**

Investments that are intended to be held for more than a year, from the date of acquisition, are classified as long-term investment and are carried at cost less any provision for diminution in value other than temporary. Investments other than long term investments being current investments are valued at cost or fair value whichever is lower.

## **8. Property, Plant and Equipment**

Property, Plant and Equipment are stated at actual cost less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

## **9. Impairment of Assets:**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

## **10. Depreciation & Amortization:**

- i) Depreciation on all Property, Plant and Equipment is provided on 'Straight Line Method' at the rates and in the manner prescribed in the Schedule II of the Companies Act, 2013. Depreciations on additions & deletions made during the year is provided on pro-rata basis from & upto the date of acquisitions and deletions of assets respectively.
- ii) For the period prior to April 1, 2014, Depreciation on Property, Plant and Equipments are provided on the basis of straight line method on triple shift basis as per rates prescribed in Schedule XIV of the Companies Act, 1956.

- iii) Intangible assets (ERP Software) are amortized over a period of 3 years.

## **11. Accounting for Taxes of Income:**

### **Current Taxes**

Provision for current income-tax is recognized in accordance with the provisions of Indian Income- tax Act, 1961 and is made annually based on the tax liability after taking credit for tax allowances and exemptions

### **Deferred Taxes**

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to timing differences that result between the profits offered for income taxes and the profits as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and the tax laws that have been enacted or substantially enacted at the balance sheet date. Deferred tax Assets are recognized only to the extent there is reasonable certainty that the assets can be realized in the future. Deferred Tax Assets are reviewed as at each Balance Sheet date.

### **Minimum Alternate Tax**

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

## **12. Provisions and Contingent Liabilities:**

- i) Provisions are recognized in terms of Accounting Standard 29- “Provisions, Contingent Liabilities and Contingent Assets” in accordance with the Accounting Standard specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rule, 2014 when there is a present legal or statutory obligation as a result of past events where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made.
- ii) Contingent Liabilities are recognized only when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

**13. Employee Benefits:**

- i) Company's contribution to Provident Fund and other Funds for the year is accounted on accrual basis and charged to the Statement of Profit & Loss for the year.
- ii) Retirement benefits in the form of Gratuity are considered as defined benefit obligations and are provided on the basis of the actuarial valuation, using the projected unit credit method as at the date of the Balance Sheet.
- iii) Leave encashment is accounted on accrual basis

**14. Foreign Currency Transactions:**

- i) The transactions in foreign currencies are stated at the rate of exchange prevailing on the date of transactions.
- ii) The difference on account of fluctuation in the rate of exchange prevailing on the date of transaction and the date of realization is charged to the Statement of Profit and Loss.
- iii) Differences on translations of Monetary Assets and Monetary Liabilities remaining unsettled at the year-end are recognized in the Statement of Profit and Loss.

**15. Borrowing Costs:**

Borrowing costs are recognized as an expense in the period in which they are incurred except the borrowing cost attributable to be acquisitions / constructions of a qualifying asset which are capitalized as a part of the cost of the Property, Plant and Equipments, up to the date, the assets are ready for its intended use.

**16. Miscellaneous Expenditure:**

Preliminary expenses are charged off in the year in which they are incurred.

**17. Leases**

Leases that do not transfer substantially all the risks and rewards of ownership are classified as operating leases and are recorded as expense on a straight-line basis over the lease term.

**18. Earnings Per Share**

Basic earning per share is calculated by dividing the restated net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

**19. Cash Flow Statement**

The Cash Flow Statement is prepared by the indirect method set out in Accounting Standard 3 on Cash Flow Statements and presents cash flows by operating, investing and financing activities of the Company.

**20. Business Segments**

The Company is mainly engaged in the business of manufacturing "Thermoformed Disposal Plastic Products". All other activities of the Company revolve around the main business and as such, there are no separate reportable segments that require reporting under Accounting Standard 17 - "Segment Reporting".

**Annexure "IV - C":****Statement of Material Adjustments to the restated financial statement****(Amount in Rs. Lakhs)**

- a. Summary of results of restatement made in the audited financial statement of the company for the years and their impact on Profit/ loss of the Company is as under:

Particulars		For the Period Ended September 30, 2017	For the Year Ended March 31				
			2017	2016	2015	2014	2013
<b>A.</b>	<b>Net Profit after Tax (As Per Audited Profit and Loss Statement)</b>	<b>474.08</b>	<b>882.92</b>	<b>794.13</b>	<b>67.58</b>	<b>(33.70)</b>	<b>187.48</b>
<b>B.</b>	<b>Restatement Adjustments</b>						
	-Prior Period Items						
	Depreciation	-	-	14.51	(7.62)	(0.59)	0.47
	Gratuity	-	-	-	3.57	(2.03)	(0.65)
	Interest on Fixed Deposit	-	-	-	(0.32)	0.32	-
	Provision for Doubtful Debts	-	(0.49)	(1.19)	-	(1.65)	(4.09)
	Provision for Doubtful Debts Reversed	-	0.64	-	-	-	-
	Balances / Advances Written Back	10.42	11.44	(7.39)	(11.18)	(9.88)	(6.51)
	Balances / Advances Written Off	(0.59)	0.70	(12.82)	11.03	3.68	6.53
	Consumption of Sleeves is re-classified from packing material to raw materials	-	(199.37)	(161.91)	(143.95)	(121.44)	(98.76)
	Consumption of Sleeves is re-classified to raw materials from packing materials	-	199.37	161.91	143.95	121.44	98.76
	<b>Total Effect of Adjustments Before Tax (B)</b>	<b>9.83</b>	<b>12.29</b>	<b>(6.89)</b>	<b>(4.52)</b>	<b>(10.15)</b>	<b>(4.25)</b>
<b>C.</b>	<b>Tax Adjustments</b>						
	Current Tax Impact of Adjustments	1.96	7.79	18.43	(2.11)	0.06	1.12
	-Minimum Alternate Tax Impact of Adjustments	2.26	5.97	(10.47)	4.76	-	(0.16)
	-Tax Pertaining to Earlier Years	5.29	(6.54)	(19.16)	(0.80)	21.54	-
	-Deferred Tax Impacts of Adjustments	-	0.05	4.42	(1.57)	(1.29)	(1.08)
	<b>Total of Tax Adjustments (C)</b>	<b>9.51</b>	<b>7.27</b>	<b>(6.78)</b>	<b>0.28</b>	<b>20.31</b>	<b>(0.12)</b>
<b>D.</b>	<b>Net Increase decrease in profit after Tax (B) - (C)</b>	<b>0.32</b>	<b>5.02</b>	<b>(0.11)</b>	<b>(4.80)</b>	<b>(30.46)</b>	<b>(4.13)</b>
<b>E.</b>	<b>Net Profit after tax as restated (A) - (D)</b>	<b>473.76</b>	<b>877.90</b>	<b>794.24</b>	<b>72.38</b>	<b>(3.24)</b>	<b>191.61</b>

**b. Notes to Material Adjustments:**

**a) Provision for doubtful debts**

In the audited financial statements of the Company for the Period ended September 30, 2017 and years ended March 31, 2017, 2016, 2015, 2014 & 2013, certain doubtful debts which were no longer recoverable were provided for. For the purpose of this statement such provisions have been adjusted to the respective years in which sales were accounted for. Further, the balance in the Statement of Profit & Loss as at April 1, 2012 has been adjusted to reflect the impact of the items pertaining to period prior to April 1, 2012.

**b) Excess provision written back:**

In the audited financial statements of the Company for the Period ended September 30, 2017 and years ended March 31, 2017, 2016, 2015, 2014 & 2013, certain liabilities created in earlier years were written back. For the purpose of this statement such liabilities have been adjusted to the respective years in which they were originally created. Further the balance in the Statement of Profit & Loss as at April 1, 2012 has been adjusted to reflect the impact of the items pertaining to period prior to April 1, 2012.

**c) Depreciation**

During the financial year 2014-15, pursuant to the notification of Schedule II to the Companies Act, 2013 with effect from April 1, 2014, the Company revised the estimated useful life of some of its assets to align the useful life with those specified in Schedule II. For the purpose of this statement, the depreciation charged as per the revised useful life have been adjusted in the respective years. Consequent to above change, the Company has fully depreciated the carrying value of assets, net of residual value, where the remaining useful life of the asset was determined to be 'Nil' as on April 1, 2012 and has adjusted an amount of Rs. 0.18 Lakhs against the opening balance in the Statement of Profit and Loss.

**d) Prior Period Expenses**

In the audited financial statements of the Company for the Period ended September 30, 2017 and years ended March 31, 2017, 2016, 2015, 2014 & 2013, certain items were identified as prior period items. For the purpose of this statement such prior period items have been adjusted to the respective years to which they relate and items relating to the period prior to the year ended March 31, 2012 have been adjusted to the opening balance of the Statement of profit and loss.

**g) Short / Excess provision for tax for earlier years**

Statement of Profit and loss of certain years includes amounts paid/provided/written back for, in respect of shortfall / excess of income tax arising out of assessments, appeals etc. which for the purpose of this statement, have been adjusted in the years to which they relate.

**h) Tax impact of adjustments**

Deferred tax has been computed on adjustments made as detailed above and has been adjusted in the Period ended September 30, 2017 and years ended March 31, 2017, 2016, 2015, 2014 & 2013, and the balance brought forward in the Restated Statement of Profit and Loss as at April 1, 2012.

**i) Employee Benefits**

Till March 31, 2014, the provision for gratuity liability was accounted as per the valuation provided by the fund manager. From the financial year ended March 31, 2015 the Company had accounted provision for gratuity as per actuarial valuation and the difference was accounted as Prior Period Item in the Financial Statements for financial year 2014-15. For the purpose of this statement, expenses pertaining to earlier years (which have been accounted as prior period item) have been adjusted to the respective years to which they relate and expenses relating to the period prior to the year ended March 31, 2012 have been adjusted to the opening balance of Statement of profit and loss based on the actuarial valuation.

**i) Re-Classification of Line Items**

Consumption of Sleeves have been re-classified from Packing Material to Raw Material for all the respective years.

**c. Restatement adjustments made in the audited opening balance figure in the net surplus in the Restated Statement of Profit and Loss as on April 1, 2012**

Particulars		Amounts in Rs. Lakhs
A.	Net Surplus in statement of Profit and Loss as at April 1, 2012 as per Audited Financial Statements	112.42
	<b>Less: Adjustments:</b>	
B.	Taxation for Earlier year	0.33
C.	Reversal of Provision for Doubtful Debts (Net of Deferred Tax)	(0.42)
D.	Balances Written Off	6.43
E.	Balances Written Back	(1.88)
F.	Reversal of Provision for Gratuity (Net of deferred Tax)	(0.61)
G.	Depreciation (Net of Deferred Tax)	(2.69)
H.	Provision for Doubtful Debts	5.36
<b>Net Surplus in statement of Profit and Loss as at April 1, 2012 as per Restated Financial Statements</b>		<b>105.90</b>

**d. Material Regrouping**

Adjustments have been made in the Restated Summary Financial Information, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited financial statements of the Company as at and for the Period ended September 30, 2017, prepared in accordance with Schedule III of the 2013 Act and the requirements of the Regulations. Accordingly, the Company has presented the Restated Financial Information as at and for the period ended September 30, 2017 and the years ended March 31, 2017, 2016, 2015, 2014 and 2013 following the requirements of Schedule III of the 2013 Act.

**Annexure "IV - D":****SUMMARY STATEMENT OF RESTATED FINANCIAL INFORMATION****(Amount in Rs. Lakhs)****1. Statement of Contingent Liabilities****a. Contingent Liabilities - Disputed Statutory Dues**

Particulars	As at September 30, 2017	As at March 31				
		2017	2016	2015	2014	2013
Sales Tax Payable (amount unascertained on account of non-collection of C form and H form) from Customers	Not Ascertainable	Not Ascertainable	Not Ascertainable	Not Ascertainable	Not Ascertainable	Not Ascertainable
Sales tax Demand disputed in appeal	-	-	1.35	1.35	1.35	1.35
Income tax demand for the AY. 2009-10 disputed in appeal. (Rajshree Industries)	-	-	-	-	-	12.71
Income tax demand for the AY. 2010-11 disputed in appeal. (Rajshree Industries)	-	-	-	7.06	7.06	7.06
Income tax demand of A.Y. 2011-12 (Rajshree Industries)	-	-	-	1.82	-	-
Income tax demand of A.Y. 2012-13 (Rajshree Industries)	2.10	2.10	2.10	2.10	-	-
Income tax demand of A.Y. 2012-13	1.35	1.35	1.35	-	-	-
Income tax demand of A.Y. 2014-15	0.75	0.75	-	-	-	-

**b. Contingent Liabilities - other commitments****(Amount in Rs. Lakhs)**

Particulars	As at September 30, 2017	As at March 31				
		2017	2016	2015	2014	2013
Bank Guarantee given by Banks on behalf of the Company	83.80	83.80	-	8.70	8.70	8.70
Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances)	87.58	31.08	783.26	19.94	1,224.87	1,224.87
Custom Duty against Export Obligation (EPCG)	55.35	104.51	51.02	102.92	80.85	-



Particulars	As at September 30, 2017	As at March 31				
		2017	2016	2015	2014	2013
Collateral Security to bank towards credit facility to group entity	-	-	130.00	130.00	130.00	130.00
Custom Duty against Export Obligation (Advance License)	89.45	51.75	9.05	-	-	-
Letter of Credit issued to Creditor	41.50	-	-	-	-	-

**Note:**

Future cash outflow, if any, in respect of these matters are determinable only on receipt of judgment / decisions pending at various stage before the appellate authorities. The management is of the opinion that the matters would be resolved in favor of the company.

**2. Payment to Auditor**

(Amount in Rs. Lakhs)

Particulars	For the Period Ended September 30, 2017	For the Year Ended March 31				
		2017	2016	2015	2014	2013
- For Statutory Audit	3.00	9.00	6.50	4.00	4.00	2.50
- For Other services	1.60	6.81	5.04	2.88	2.70	0.95
	<b>4.60</b>	<b>15.81</b>	<b>11.54</b>	<b>6.88</b>	<b>6.70</b>	<b>3.45</b>

**3. CSR Expenditure:**

**(a) Gross amount Required to be spent by the Company**

(Amount in Rs. Lakhs)

Particulars	For the Period Ended September 30, 2017	For the Year Ended March 31				
		2017	2016*	2015*	2014*	2013*
Amount Required to be Spent	17.79	8.15	N.A.	N.A.	N.A.	N.A.

\* relevant provisions of the Companies Act, 2013 are not applicable

**(b) Amount Spent during the year on CSR Activity.**

(Amount in Rs. Lakhs)

Particulars	For the Period Ended September 30, 2017	For the Year Ended March 31				
		2017	2016*	2015*	2014*	2013*
Construction / acquisition of any asset	-	-	N.A.	N.A.	N.A.	N.A.
On Purpose Other than above	4.00	5.67	N.A.	N.A.	N.A.	N.A.
<b>Total</b>	<b>4.00</b>	<b>5.67</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>

\* relevant provisions of the Companies Act, 2013 are not applicable

**4. Disclosure as required by AS-15 Employee Benefits as notified by the Companies (Accounting Standard) Rules, 2006**  
**Principal actuarial assumptions** **(Amount in Rs. Lakhs)**

Particulars	For the Period Ended September 30, 2017	For the Year Ended March 31				
		2017	2016	2015	2014	2013
Rate of Discounting	7.20% p.a.	7.20% p.a.	8.06% p.a.	8.00% p.a.	8.17% p.a.	8.17% p.a.
Rate of increase in Salaries	6.00% p.a.	6.00% p.a.	6.00% p.a.	5.00% p.a.	6.00% p.a.	6.00% p.a.

\* The estimates of future salary increases, considered in a valuation, takes account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

(i) Changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof: **(Amount in Rs. Lakhs)**

Particulars	For the Period Ended September 30, 2017	For the Year Ended March 31				
		2017	2016	2015	2014	2013
Present value of obligation as at the beginning of the year:	28.07	19.08	10.66	7.70	5.24	2.84
Interest cost	1.01	1.54	0.85	0.72	0.43	0.25
Current service cost	5.07	6.71	3.26	1.97	1.75	0.89
Benefits paid	-	-	-	-	-	-
Actuarial (gain) / loss on obligation	3.77	0.74	4.31	0.27	0.28	1.26
Closing Present value of obligation	37.92	28.07	19.08	10.66	7.70	5.24

(ii) Actuarial gain/ loss recognized in the Statement of Profit and Loss: **(Amount in Rs. Lakhs)**

Particulars	For the Period Ended September 30, 2017	For the Year Ended March 31				
		2017	2016	2015	2014	2013
Actuarial gain/ (loss) on obligation for the period	3.77	0.74	4.31	0.27	0.28	1.26
Actuarial gain/ (loss) on plan assets for the period	0.35	0.39	0.31	0.28	0.05	(0.01)
Actuarial (gain)/ loss recognized during the year.	4.12	1.13	4.62	0.55	0.33	1.25

(iii) The amounts recognized in the Balance Sheet are as follows:

(Amount in Rs. Lakhs)

Particulars	For the Period Ended September 30, 2017	For the Year Ended March 31				
		2017	2016	2015	2014	2013
Present value of obligation as at the end of the year	37.92	28.07	19.08	10.66	7.70	5.24
Fair value of plan assets as at the end of the year	31.30	24.09	12.23	11.61	7.06	4.06
Funded value of assets (unfunded)	(6.60)	(3.96)	(6.84)	-	(0.64)	(1.18)
Net assets / (liability) recognized in balance sheet	(6.62)	(3.98)	(6.85)	0.95	(0.64)	(1.18)

(iv) The amounts recognized in the Statement of Profit and Loss are as follows:

(Amount in Rs. Lakhs)

Particulars	For the Period Ended September 30, 2017	For the Year Ended March 31				
		2017	2016	2015	2014	2013
Current service cost	5.07	6.71	3.26	1.97	1.75	0.89
Interest cost	0.14	0.55	(0.09)	0.07	0.09	(0.07)
Net actuarial (gain) / loss recognized in the year	4.12	1.13	4.62	0.55	0.33	1.25
Expenses recognized in the statement of profit and loss	9.33	8.39	7.79	2.59	2.17	2.07

## 5. Earning Per Share

Particulars	For the Period Ended September 30, 2017	For the Year Ended March 31				
		2017	2016	2015	2014	2013
A. Weighted average number of Equity Shares of Rs. 10/- each						
i. Weighted average number of Equity Shares outstanding during the year	7,976,061	7,976,061	7,796,061	7,796,061	7,796,061	7,796,061
ii. Weighted average number of Potential Equity Shares outstanding during the year.	-	-	-	-	-	-

Particulars	For the Period Ended September 30, 2017	For the Year ended March 31				
		2017	2016	2015	2014	2013
iii. Total number of Equity share for calculating Diluted Earning Per Share	7,976,061	7,976,061	7,796,061	7,796,061	7,796,061	7,796,061
B. Restated Net Profit after Tax available for Equity shareholders (in Rs. Lakhs)	473.76	877.90	794.24	72.38	(3.24)	191.61
C. Basic Earning Per Share (in Rs.) {B/A (ii)} (refer Note i)	5.94	11.01	10.17	0.93	(0.04)	2.46
D. Diluted Earning Per Share (in Rs.) {B/A (iv)} (refer Note ii)	5.94	11.01	10.17	0.93	(0.04)	2.46

**Notes:**

- Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year and multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.
- The Company has issued 53,17,374 bonus shares on March 30, 2017 without Consideration, the issue is treated as if it had occurred in the beginning of the year 2012-13, the earliest period reported.
- The Company has 2,00,000 Partly Paid up shares as at March 31, 2013 and March 31, 2014. Earning Per Share for the stated years has been Calculated based on Equivalent number of Equity Shares.

**6. CIF value of imports (on accrual basis)**

(Amount in Rs. Lakhs)

Particulars	For the Period Ended September 30, 2017	For the Year Ended March 31				
		2017	2016	2015	2014	2013
Raw Materials	287.90	887.43	566.14	378.75	142.81	58.78
Components and spare parts	50.98	33.98	34.73	22.91	8.98	3.16
Capital goods	83.96	849.70	382.41	88.66	2,727.66	239.59

**7. Expenditure in foreign Currency**

(Amount in Rs. Lakhs)

Particulars	For the Period Ended September 30, 2017	For the Year Ended March 31				
		2017	2016	2015	2014	2013
Foreign Travelling Expense	5.52	5.76	4.85	0.41	22.17	6.02
Technical Service Charges	4.10	2.70	-	-	-	-
Membership and Subscription	2.61	2.31	-	-	-	-

**8. Earnings in Foreign Currency** **(Amount in Rs. Lakhs)**

Particulars	For the Period Ended September 30, 2017	For the Year Ended March 31				
		2017	2016	2015	2014	2013
Export on F.O.B basis	395.54	746.15	488.13	73.43	-	-

**9.** Consequent to the introduction of Goods and Service Tax (GST) with effect from July 1, 2017, Central Excise Duty, Value Added Tax (VAT), etc. have been replaced by GST. In accordance with AS-9 "Revenue Recognition" and Schedule III of Companies Act 2013, GST is not Included in Revenue from operations for the quarter ended September 30, 2017. However, for the quarter ended June 30, 2017 and Earlier Comparative Periods, excise duty is included in the revenue from operations hence not comparable.

**10** The details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 31, 2016 as per notification dated March 30, 2017 issued by Ministry of Corporate Affairs is as follows:

**(Amount in Rs. Lakhs)**

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11. 2016	55.00	0.26	55.26
(+) Permitted receipts	-	13.71	13.71
(-) Permitted payments	-	13.29	13.29
(-) Amount deposited in Banks	55.00	-	55.00
Closing cash in hand as on 30.12. 2016	-	0.68	0.68

**11. Amounts remitted in foreign currency during the year on account of dividend**

(Amount in Lakhs)

Particulars	For the Period Ended September 30, 2017	For the Year Ended March 31									
		2017		2016		2015		2014		2013	
		Rs	CHF	Rs	CHF	Rs	CHF	Rs	CHF	Rs	CHF
<i>Final dividend to 1 Shareholder:</i>											
- on 22,26,084 shares		16.70	0.26	-	-	-	-	-	-	-	-
- on 7,42,028 shares		-	-	7.42	0.11	-	-	-	-	-	-
<i>Interim dividend to 1 Shareholder:</i>											
- on 22,26,084 shares		-	-	16.70	0.26	-	-	-	-	-	-
- on 7,42,028 shares		-	-	-	-	29.68	0.44	-	-	-	-

**12. Details on derivative instruments and unhedged foreign currency expenses (in Lakhs)**

Particulars	Currency	As at September 30, 2017		As at March 31									
				2017		2016		2015		2014		2013	
		Foreign Currency Amount	Indian Rupees	Foreign Currency Amount	Indian Rupees	Foreign Currency Amount	Indian Rupees	Foreign Currency Amount	Indian Rupees	Foreign Currency Amount	Indian Rupees	Foreign Currency Amount	Indian Rupees
I. Trade Receivables	USD	1.36	88.92	0.75	48.41	0.29	19.84	-	-	-	-	-	-
	GBP	-	-	0.12	9.98	-	-	0.10	9.00	-	-	-	-
			<b>88.92</b>		<b>58.39</b>		<b>19.84</b>		<b>9.00</b>	-	-	-	-

Particulars	Currency	As at September 30, 2017		As at March 31									
				2017		2016		2015		2014		2013	
		Foreign Currency Amount	Indian Rupees	Foreign Currency Amount	Indian Rupees	Foreign Currency Amount	Indian Rupees	Foreign Currency Amount	Indian Rupees	Foreign Currency Amount	Indian Rupees	Foreign Currency Amount	Indian Rupees
II. Trade Payables	USD	1.21	79.14	2.47	159.84	0.84	55.97	0.68	42.91	0.01	0.44	0.05	3.00
	Euro	0.13	10.00	0.61	42.54	1.19	89.16	1.98	165.23	2.63	216.57	0.10	7.07
			<b>89.14</b>		<b>202.38</b>		<b>145.13</b>		<b>208.14</b>		<b>217.01</b>		<b>10.07</b>
III. Advances Paid	USD	0.18	11.46	0.41	27.09	1.04	70.28	0.55	34.39	-	-	-	-
	Euro	0.66	49.09	0.07	5.18	1.45	108.85	0.67	48.71	1.01	84.88	10.78	755.83
	CHF	0.18	11.68	-	-	-	-	-	-	-	-	-	-
			<b>72.23</b>		<b>32.27</b>		<b>179.13</b>		<b>83.10</b>		<b>84.88</b>		<b>755.83</b>
IV. Advances Received	USD	0.28	18.20	0.20	14.11	0.07	4.72	-	-	-	-	-	-
			<b>18.20</b>		<b>14.11</b>		<b>4.72</b>	-	-	-	-	-	-

Note: The Company has entered into a cross currency swap in respect of foreign currency loan which has been hedged at a fixed rate of Rs. 66.40 per USD. The hedging is applicable in respect of principal and spread amount only. Interest and currency risk for LIBOR are unhedged.

13 Consumption of Raw Material and Stores & Spares

(Amount in Rs. Lakhs)

Particulars	As at September 30, 2017		As at March 31									
			2017		2016		2015		2014		2013	
	Amount	% of Total Consump tion	Amount	% of Total Consump tion	Amount	% of Total Consump tion	Amount	% of Total Consump tion	Amount	% of Total Consump tion	Amount	% of Total Consump tion
<b>Raw Material Consumed</b>												
-Imported	434.47	14.44%	840.00	16.36%	709.82	14.14%	378.75	10.33%	142.80	5.87%	58.78	3.40%
-Indigenous	2,574.72	85.56%	4,293.19	83.64%	4,309.04	85.86%	3,287.74	89.67%	2,288.45	94.13%	1,672.46	96.60%
	<b>3,009.19</b>	<b>100.00%</b>	<b>5,133.19</b>	<b>100.00%</b>	<b>5,018.86</b>	<b>100.00%</b>	<b>3,666.49</b>	<b>100.00%</b>	<b>2,431.25</b>	<b>100.00%</b>	<b>1,731.24</b>	<b>100.00%</b>
<b>Stores, Spares Consumed</b>												
-Imported	50.98	67.88%	35.14	29.67%	26.11	24.97%	22.91	26.61%	8.98	28.36%	3.16	8.87%
-Indigenous	24.12	32.12%	83.30	70.33%	78.47	75.03%	63.20	73.39%	22.68	71.64%	32.46	91.13%
<b>Total</b>	<b>75.10</b>	<b>100.00%</b>	<b>118.44</b>	<b>100.00%</b>	<b>104.58</b>	<b>100.00%</b>	<b>86.11</b>	<b>100.00%</b>	<b>31.66</b>	<b>100.00%</b>	<b>35.62</b>	<b>100.00%</b>



**Annexure "V"****Summary Statement of Restated Share Capital****(Amount in Rs. Lakhs)****(a) Authorised, Issued, Subscribed and Paid-up Capital**

Particulars	As at September 30, 2017	As at March 31				
		2017	2016	2015	2014	2013
<b>Authorised</b>						
Equity shares of Rs.10/- each	10,000,000	10,000,000	3,500,000	3,500,000	3,500,000	3,500,000
Amount	1,000.00	1,000.00	350.00	350.00	350.00	350.00
<b>Issued and Subscribed Capital</b>						
Equity shares of Rs.10/- each	7,976,061	7,976,061	2,658,687	2,658,687	2,658,687	2,658,687
Amount	797.61	797.61	265.87	265.87	265.87	265.87
<b>Paid up Capital</b>						
Equity shares of Rs. 10/- each fully paid up	7,976,061	7,976,061	2,658,687	2,458,687	2,458,687	2,458,687
Amount	797.61	797.61	265.87	245.87	245.87	245.87
Equity Shares of Rs. 10/- each Re. 1/- Paid up	-	-	-	200,000	200,000	200,000
Amount	-	-	-	2.00	2.00	2.00

**(b) Reclassification of Authorised Share Capital**

During the Financial Year 2012-13, the existing Authorized Share Capital of the Company of Rs. 350 Lakhs consisting of Rs. 230 Lakhs divided into 23,00,000 Equity Shares of Rs. 10/- each and Rs. 120 Lakhs divided into 12,00,000 Cumulative Convertible Preference Shares (CCPS) of Rs. 10/- each has been reclassified into Rs. 350 Lakhs divided into 35,00,000 Equity Shares of Rs.10/- each. vide resolution passed in Annual General Meeting held on September 29, 2012.

**(c) Conversion of Cumulative Convertible Preference Shares into Equity Shares**

During the Financial Year 2012-13, 7,54,860 Cumulative convertible preference shares (CCPS) of Rs. 10/- each has been converted into 5,69,613 Equity Shares of Face Value of Rs. 10 fully paid-up and 2,00,000 Shares of Rs. 10/- each Re. 1/- Paid up vide resolution passed in Annual General Meeting held on September 29, 2012.

**(d) Terms/rights attached to equity shares**

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per equivalent fully paid up equity share.

In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equivalent fully paid up equity shares held by the shareholders.

**(e) Reconciliation of shares outstanding at the beginning and at the end of the reporting period****i) Equity shares of Rs. 10/- each fully paid up**

Particulars	As at September 30, 2017		As at March 31									
			2017		2016		2015		2014		2013	
	No.	Rs.	No.	Rs.	No.	Rs.	No.	Rs.	No.	Rs.	No.	Rs.
<b>Equity Shares</b>												
At the beginning of the year	7,976,061	797.61	2,658,687	265.87	2,458,687	245.87	2,458,687	245.87	2,458,687	245.87	1,889,072	188.91
Add: Preference Shares												
Converted during the year.	-	-	-	-	-	-	-	-	-	-	569,615	56.96
Add: Partly paid up shares												
converted in to fully paid up												
shares.	-	-	-	-	200,000	20.00	-	-	-	-	-	-
Add: Bonus Shares issued												
during the year.	-	-	5,317,374	531.74	-	-	-	-	-	-	-	-
<b>Outstanding at the end of the</b>	<b>7,976,061</b>	<b>797.61</b>	<b>7,976,061</b>	<b>797.61</b>	<b>2,658,687</b>	<b>265.87</b>	<b>2,458,687</b>	<b>245.87</b>	<b>2,458,687</b>	<b>245.87</b>	<b>2,458,687</b>	<b>245.87</b>
<b>year</b>												

ii) Equity Shares of Rs. 10/- each Re. 1/- Paid up

Particulars	As at September 30, 2017	As at March 31									
		2017		2016		2015		2014		2013	
		No.	Rs.	No.	Rs.	No.	Rs.	No.	Rs.	No.	Rs.
<b>Equity Shares</b>											
At the beginning of the year		-	-	-	-	200,000	2.00	200,000	2.00	200,000	2.00
<u>Add:</u> Preference Shares Converted during the year		-	-	-	-	-	-	-	-	-	-
<u>Less:</u> Partly paid up shares converted in to fully paid up shares		-	-	-	-	200,000	2.00	-	-	-	-
<b>Outstanding at the end of the year</b>		-	-	-	-	-	-	<b>200,000</b>	<b>2.00</b>	<b>200,000</b>	<b>2.00</b>

iii) Preference Shares of Rs. 10/- each Fully Paid up

Particulars	As at September 30, 2017		As at March 31							
			2017		2016		2015		2014	
	No.	Rs.	No.	Rs.	No.	Rs.	No.	Rs.	No.	Rs.
<b>Equity Shares</b>										
At the beginning of the year	-	-	-	-	-	-	-	-	-	-
Less: Converted in Equity Shares	-	-	-	-	-	-	-	-	-	-
<b>Outstanding at the end of the year</b>	-	-	-	-	-	-	-	-	-	-

iv) Details of Shareholders holding more than 5% shares in the company:

(No. in Lac)

Particulars	As at September 30, 2017		As at March 31									
			2017		2016		2015		2014			
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
<b>Equity Shares of Rs.10/- each fully paid up</b>												
Wifag Polytype Holding AG	2,226,084	27.91%	2,226,084	27.91%	742,028	27.91%	742,028	30.17%	742,028	30.17%	742,028	30.17%
Ramswaroop Radheshyam Thard	2,041,158	25.59%	2,012,409	25.23%	670,803	25.23%	600,803	24.43%	600,803	24.43%	600,803	24.43%
Sajjan N. Rungta HUF	1,725,132	21.63%	1,725,132	21.63%	575,044	21.63%	515,044	20.94%	515,044	20.94%	515,044	20.94%
Naresh Radheshyam Thard	1,679,178	21.05%	1,650,429	20.69%	550,143	20.69%	492,143	20.01%	492,143	20.01%	492,143	20.01%
<b>Equity Shares of Rs.10/- each (Rs.1/- paid up)</b>												
Sajjan N. Rungta HUF	-	-	-	-	-	-	60,000	30.00%	60,000	30.00%	60,000	30.00%
Ramswaroop Radheshyam Thard	-	-	-	-	-	-	70,000	35.00%	70,000	35.00%	70,000	35.00%
Naresh Radheshyam Thard	-	-	-	-	-	-	58,000	29.00%	58,000	29.00%	58,000	29.00%

**Annexure "VI"****Summary Statement of restated Reserves and Surplus****(Amount in Rs. Lakhs)**

Particulars	As at September 30, 2017	As at March 31				
		2017	2016	2015	2014	2013
<b>Securities Premium Account</b>						
Balance at the beginning of the year	1,327.53	1,859.27	1,787.27	1,787.27	1,787.27	1,862.65
Add: On further issue of shares	-	-	72.00	-	-	-
Less: Bonus Shares Issued	-	531.74	-	-	-	-
Less: Premium on conversion of CCPS	-	-	-	-	-	1.48
Less: Share issue expenses	-	-	-	-	-	73.90
Closing Balance	<b>1,327.53</b>	<b>1,327.53</b>	<b>1,859.27</b>	<b>1,787.27</b>	<b>1,787.27</b>	<b>1,787.27</b>
<b>Surplus / (deficit) in the statement of profit and loss</b>						
Balance at the beginning of the year	1,815.45	1,009.55	366.65	294.27	297.51	105.90
Add: Profit / (Loss) for the year	473.76	877.90	794.24	72.38	(3.24)	191.61
Less: Interim Dividend Paid	-	59.82	99.15	-	-	-
Less: Dividend Distribution Tax	12.18	12.18	25.60	-	-	-
Less: Proposed / Final Dividend	59.81	-	26.59	-	-	-
Closing Balance	<b>2,217.22</b>	<b>1,815.45</b>	<b>1,009.55</b>	<b>366.65</b>	<b>294.27</b>	<b>297.51</b>
	<b>3,544.75</b>	<b>3,142.98</b>	<b>2,868.82</b>	<b>2,153.92</b>	<b>2,081.54</b>	<b>2,084.78</b>

**Annexure "VII"****Summary statement of Restated Long-Term Borrowings****(Amount in Rs. Lakhs)**

Particulars	As at September 30, 2017	As at March 31				
		2017	2016	2015	2014	2013
<b><u>Secured Loan</u></b>						
<b><u>From Banks</u></b>						
<b>Term Loans</b>	2,139.79	1,937.61	2,119.52	2,337.52	2,254.06	1,098.10
Less: Current maturity of long term debt	521.03	407.06	276.00	228.00	120.00	-
	1,618.76	1,530.55	1,843.52	2,109.52	2,134.06	1,098.10
<b>Buyers Credit for Capital Goods</b>	-	441.26	-	-	-	-
<b>Car Loan</b>	65.11	17.46	5.50	7.12	8.58	-
Less: Current maturities of long term debt	6.93	4.83	1.81	1.62	1.46	-
	58.18	12.63	3.69	5.50	7.12	-

Particulars	As at September 30, 2017	As at March 31				
		2017	2016	2015	2014	2013
<b><u>Unsecured Loan</u></b>						
<b>From Financial Companies</b>	2.44	5.16	55.08	97.84	-	-
Less: Current maturities of long term debt	2.44	5.16	34.14	42.76	-	-
	-	-	20.94	55.08	-	-
	<b>1,676.94</b>	<b>1,984.44</b>	<b>1,868.15</b>	<b>2,170.10</b>	<b>2,141.18</b>	<b>1,098.10</b>

**STATEMENT OF FINANCIAL INDEBTNESS****(Amount in Rs. Lakhs)****Long Term Borrowings**

<b>Lender</b>	<b>Nature of loan</b>	<b>Sanctioned amount</b>	<b>Primary Security</b>	<b>Collateral Security</b>	<b>Balance as at September 30, 2017</b>	<b>Interest rate</b>	<b>No. of EMI</b>	<b>Amount of EMI</b>	<b>Starting date of repayment</b>
HDFC Bank	Term Loan	200.00	- Pari Passu Charges on Current Asset and Plant & Machinery.	- Factory Land & Building at Daman - Corporate Guarantee of Bobson Industries - Corporate Guarantee of Bobson Industries. - Personal Guarantee of Ramswaroop Thard, Naresh Thard, Sajjan Kumar Rungta	162.48	MCLR+ 1.70% (9.85%)	71	3.77	May-16
HDFC Bank (refer note below) *	Term Loan	700.00	- Pari Passu Charges on Current Asset and Plant & Machinery.	- Factory Land & Building at Daman - Corporate Guarantee of Bobson Industries - Corporate Guarantee of Bobson Industries. - Personal Guarantee of Ramswaroop Thard, Naresh Thard, Sajjan Kumar Rungta	586.50	MCLR + 1.70% (9.85%)	59	13.85	March-17

Lender	Nature of loan	Sanctioned amount	Primary Security	Collateral Security	Balance as at September 30, 2017	Interest rate	No. of EMI	Amount of EMI	Starting date of repayment
Indusind Bank (refer note below)**	Term Loan	1,798.00	-First Pari Passu Charge on Plant & Machinery Located at Unit II	- Second pari passu charge on plant & machinery to be created at unit II - First Pari Passu Mortgage charge at land located at unit II - First Pari Passu Charge on land, building, plant & machinery in the name of the Bobson industries. - First Pari Passu Charge on land, building, plant & machinery situated at unit I -Second Pari Passu Charge on all current assets on present & future. -Corporate Guarantee of Bobson Industries. -Personal Guarantee of Ramswaroop Thard, Naresh Thard, Sajjan Kumar Rungta	1,390.81	8.62% + 3 Months LIBOR	58	28.84	April-16
ICICI Bank	Car Loan	9.00	Secured against Vehicle	Nil	2.71	10.99%	60	0.19	February-14
HDFC Bank	Car Loan	1.11	Secured against Vehicle	Nil	8.42	9.65%	12	0.23	August-16
HDFC Bank	Car Loan	5.00	Secured against Vehicle	Nil	3.99	10.51%	60	0.11	September-16
HDFC Bank	Car Loan	50.00	Secured against Vehicle	Nil	50.00	8.63%	84	0.50	October-17

\* Includes Rs. 424.18 lakhs which is converted from Buyer's Credit Facility to Term Loan during the Financial Year 2017-18

\*\* The Company has entered into a cross currency swap in respect of foreign currency loan which has been hedged at a fixed rate of Rs. 66.40 per USD. The hedging is applicable in respect of principal and spread amount only. Interest and currency risk for LIBOR are unhedged.



**Annexure "VIII"****Summary statement of Restated Deferred Tax Liabilities (net)****(Amount in Rs. Lakhs)**

Particulars	As at September 30, 2017	As at March 31				
		2017	2016	2015	2014	2013
<u>Deferred Tax Liabilities / (Assets)</u>						
Excess of net block of fixed assets as per books of accounts over net block for tax purpose	489.73	488.88	376.36	317.74	256.63	56.97
Excess Payment made to Gratuity fund	-	-	-	0.29	1.10	0.47
Provision for employee benefits	(18.27)	(8.37)	(2.26)	(5.47)	(6.55)	(2.50)
Provision for doubtful trade receivables	(4.02)	(4.02)	(3.84)	(3.98)	(5.01)	(5.23)
Provision for Unabsorbed depreciation	-	-	-	(244.04)	(218.76)	-
Preliminary expenses	-	-	-	(0.22)	(0.44)	(0.69)
	<b>467.44</b>	<b>476.49</b>	<b>370.26</b>	<b>64.32</b>	<b>26.97</b>	<b>49.02</b>

**Annexure "IX"****Summary statement of Restated Other Long-term liabilities****(Amount in Rs. Lakhs)**

Particulars	As at September 30, 2017	As at March 31				
		2017	2016	2015	2014	2013
Creditors for capital goods	-	25.97	84.48	158.47	215.78	-
Less: Current maturities of creditors for capital goods	-	25.97	55.64	51.01	61.65	-
	-	-	<b>28.84</b>	<b>107.46</b>	<b>154.13</b>	-

**Annexure "X"****Summary statement of Restated Short-term Borrowings****(Amount in Rs. Lakhs)**

Particulars	As at September 30, 2017	As at March 31				
		2017	2016	2015	2014	2013
<u>Secured</u>						
<u>From Banks</u>						
Cash credit	386.78	107.83	588.83	596.24	250.55	133.55
	386.78	107.83	588.83	596.24	250.55	133.55
Loan against Fixed Deposits	-	-	168.69	-	-	-
	-	-	168.69	-	-	-
	<b>386.78</b>	<b>107.83</b>	<b>757.52</b>	<b>596.24</b>	<b>250.55</b>	<b>133.55</b>

**Principle Terms of Short-term Borrowings**

Lender	Nature of loan	Sanctioned amount (in Rs. Lakhs)	Primary Security	Balance as at September 30, 2017 (in Rs. Lakhs)	Interest rate
HDFC Bank	Cash Credit	500.00	Hypothecation of entire stock & book debts. The credit facility has been guaranteed by the corporate guarantee of Bobson Industries and personal guarantee of Ramswaroop Thard, Naresh Thard, Sajjan Kumar Rungta.	254.36	MCLR + 0.60% (9.50%)
Indusind Bank	Cash Credit	200.00	Hypothecation of entire stock & book debts. The credit facility has been guaranteed by the corporate guarantee of Bobson Industries and personal guarantee of Ramswaroop Thard, Naresh Thard, Sajjan Kumar Rungta.	132.41	MCLR + 0.60% (9.50%)

**Annexure "XI"****Summary statement Restated of Trade Payables****(Amount in Rs. Lakhs)**

Particulars	As at September 30, 2017	As at March 31				
		2017	2016	2015	2014	2013
Due to Micro, Small & Medium Enterprises	11.06	11.81	6.17	5.81	-	-
Due to Others	693.09	685.05	716.16	613.52	451.19	272.29
	<b>704.15</b>	<b>696.86</b>	<b>722.33</b>	<b>619.33</b>	<b>451.19</b>	<b>272.29</b>

**Annexure "XII"****Summary statement of Restated Other Current Liabilities****(Amount in Rs. Lakhs)**

Particulars	As at September 30, 2017	As at March 31				
		2017	2016	2015	2014	2013
<b><u>Current Maturities</u></b>						
Long term debts	530.40	417.06	311.95	272.38	121.46	-
Creditors for capital goods	-	25.97	55.64	51.01	61.65	-
Interest Accrued but not Due	5.17	8.04	10.32	6.75	-	-
Creditors for Capital Goods	52.96	53.43	9.98	12.16	36.89	4.39
Advance received from customers	37.16	45.69	44.29	19.13	35.87	20.53
Statutory dues payable	47.81	63.89	36.95	28.00	33.67	15.23
Final Dividend Payable	11.42	-	26.59	-	-	-
Interim Dividend Payable	-	59.82	-	-	-	-
Dividend Distribution Tax	-	12.18	5.41	-	-	-
Expenses payable	110.74	105.89	81.58	63.20	49.52	40.00
	<b>795.66</b>	<b>791.97</b>	<b>582.71</b>	<b>452.63</b>	<b>339.06</b>	<b>80.15</b>

**Annexure "XIII"****Summary statement of Restated Short-term Provisions****(Amount in Rs. Lakhs)**

Particulars	As at September 30, 2017	As at March 31				
		2017	2016	2015	2014	2013
<b>Provision for employee benefits:</b>						
Leave encashment	13.61	5.71	6.25	5.06	7.81	4.98
Bonus Payable	32.57	14.52	16.14	12.65	9.19	7.48
Gratuity	6.60	3.96	6.84	-	0.64	1.18
Provision for taxation (net of advance tax & TDS)	7.23	123.93	107.51	21.24	0.01	14.48
	<b>60.01</b>	<b>148.12</b>	<b>136.74</b>	<b>38.95</b>	<b>17.65</b>	<b>28.12</b>

**Annexure "XIV"****Summary Statement of Restated Property Plant and Equipment****(Amount in Rs. Lakhs)**

Particulars	For the Year Ended March 31, 2013								
	Gross Block				Accumulated Depreciation				Net Block
	As at April 1, 2012	Additions	Deletions	As at March 31, 2013	As at April 1, 2012	Depreciation charge for the year	Adjustments On disposals	As at March 31, 2013	As at March 31, 2013
	a	b	c	d	E	f	g	h	i
				(a+b-c)				(e+f-g)	(d-h)
<b>Tangible Assets</b>									
Freehold Land	69.48	-	-	69.48	-	-	-	-	69.48
Building	54.96	-	-	54.96	13.14	1.84	-	14.98	39.98
Plant & Machinery	422.99	278.18	-	701.17	192.16	68.82	-	260.98	440.19
Moulds & Dies	79.75	60.57	-	140.32	24.29	10.54	-	34.83	105.49
Electric Installation	17.50	2.50	-	20.00	3.78	2.03	-	5.81	14.19
Computers	5.34	9.94	-	15.28	2.89	1.55	-	4.44	10.84
Fire Extinguishers	2.83	-	-	2.83	0.39	0.13	-	0.52	2.31
Furniture & Fixtures	9.58	2.04	-	11.62	1.84	0.68	-	2.52	9.10
Office Equipment	11.65	4.17	-	15.82	1.41	1.49	-	2.90	12.92
Vehicles	17.81	4.05	-	21.86	5.10	2.00	-	7.10	14.76
<b>Total</b>	<b>691.89</b>	<b>361.45</b>	<b>-</b>	<b>1,053.34</b>	<b>245.00</b>	<b>89.08</b>	<b>-</b>	<b>334.08</b>	<b>719.26</b>

(Amount in Rs. Lakhs)

Particulars	For the Year Ended March 31, 2014								
	Gross Block				Accumulated Depreciation				Net Block
	As at March 31, 2013	Additions	Deletions	As at March 31, 2014	As at March 31, 2013	Depreciation charge for the year	Adjustments On disposals	As at March 31, 2014	As at March 31, 2014
	A	b	c	d	E	f	g	H	I
				(a+b-c)				(e+f-g)	(d-h)
<b>Tangible Assets</b>									
Freehold Land	69.48	-	-	69.48	-	-	-	-	69.48
Building	54.96	671.62	-	726.58	14.97	63.54	-	78.51	648.07
Plant & Machinery	701.17	1,928.74	-	2,629.91	260.98	176.12	-	437.10	2,192.81
Moulds & Dies	140.32	167.21	-	307.53	34.83	23.19	-	58.02	249.51
Electric Installation	20.00	87.70	-	107.70	5.82	8.23	-	14.05	93.65
Computers	15.28	11.77	-	27.05	4.44	3.05	-	7.49	19.56
Fire Extinguishers	2.83	0.89	-	3.72	0.52	0.15	-	0.67	3.05
Furniture & Fixtures	11.62	67.11	-	78.73	2.52	2.22	-	4.74	73.99
Office Equipment	15.82	4.66	-	20.48	2.90	2.80	-	5.70	14.78
Vehicles	21.86	14.84	-	36.70	7.09	2.44	-	9.53	27.17
<b>Total</b>	<b>1,053.34</b>	<b>2,954.54</b>	<b>-</b>	<b>4,007.88</b>	<b>334.07</b>	<b>281.74</b>	<b>-</b>	<b>615.81</b>	<b>3,392.07</b>

(Amount in Rs. Lakhs)

Particulars	For the Year Ended March 31, 2015								
	Gross Block				Accumulated Depreciation				Net Block
	As at March 31, 2014	Additions	Deletions	As at March 31, 2015	As at March 31, 2014	Depreciation charge for the year	Adjustments On disposals	As at March 31, 2015	As at March 31, 2015
	A	b	c	d	E	f	g	H	i
				(a+b-c)				(e+f-g)	(d-h)
<b>Tangible Assets</b>									
Freehold Land	69.48	-	-	69.48	-	-	-	-	69.48
Building	726.58	45.24	-	771.82	78.51	22.83	-	101.34	670.48
Plant & Machinery	2,629.91	436.16	-	3,066.07	437.10	274.19	-	711.29	2,354.78
Moulds & Dies	307.53	153.25	-	460.78	58.02	38.81	-	96.83	363.95
Electric Installation	107.70	2.06	-	109.76	14.05	11.44	-	25.49	84.27
Computers	27.05	3.70	-	30.75	7.49	10.52	-	18.01	12.74
Fire Extinguishers	3.72	0.14	-	3.86	0.67	0.27	-	0.94	2.92
Furniture & Fixtures	78.73	14.35	-	93.08	4.74	9.26	-	14.00	79.08
Office Equipment	20.48	5.31	-	25.79	5.70	7.02	-	12.72	13.07
Vehicles	36.70	0.51	-	37.21	9.53	5.10	-	14.63	22.58
<b>Total</b>	<b>4,007.88</b>	<b>660.72</b>		<b>4,668.60</b>	<b>615.81</b>	<b>379.44</b>	<b>-</b>	<b>995.25</b>	<b>3,673.35</b>

(Amount in Rs. Lakhs)

Particulars	For the Year Ended March 31, 2016								
	Gross Block				Accumulated Depreciation				Net Block
	As at March 31, 2015	Additions	Deletions	As at March 31, 2016	As at March 31, 2015	Depreciation charge for the year	Adjustments On disposals	As at March 31, 2016	As at March 31, 2016
	a	b	c	d	E	f	g	H	i
				(a+b-c)				(e+f-g)	(d-h)
<b><u>Tangible Assets</u></b>									
Freehold Land	69.48	-	-	69.48	-	-	-	-	69.48
Building	771.82	-	-	771.82	101.34	22.89	-	124.23	647.59
Plant & Machinery	3,066.07	309.21	-	3,375.28	711.29	292.84	-	1,004.13	2,371.15
Moulds & Dies	460.78	134.89	-	595.67	96.83	50.58	-	147.41	448.26
Electric Installation	109.76	2.33	-	112.09	25.49	10.65	-	36.14	75.95
Computers	30.75	7.68	-	38.43	18.01	8.25	-	26.26	12.17
Fire Extinguishers	3.86	1.28	-	5.14	0.94	0.29	-	1.23	3.91
Furniture & Fixtures	93.08	10.84	-	103.92	14.00	9.47	-	23.47	80.45
Office Equipment	25.79	10.41	-	36.20	12.72	5.15	-	17.87	18.33
Vehicles	37.21	0.46	-	37.67	14.63	5.12	-	19.75	17.92
<b>Total A.</b>	<b>4,668.60</b>	<b>477.10</b>	-	<b>5,145.70</b>	<b>995.25</b>	<b>405.24</b>	-	<b>1,400.49</b>	<b>3,745.21</b>
<b><u>Intangible Assets</u></b>									
ERP	-	34.29	-	34.29	-	10.86	-	10.86	23.43
<b>Total B.</b>	-	<b>34.29</b>	-	<b>34.29</b>	-	<b>10.86</b>	-	<b>10.86</b>	<b>23.43</b>

<b>Total (A + B)</b>	<b>4,668.60</b>	<b>511.39</b>	-	<b>5,179.99</b>	<b>995.25</b>	<b>416.10</b>	-	<b>1,411.35</b>	<b>3,768.64</b>
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(Amount in Rs. Lakhs)

Particulars	For the Year Ended March 31, 2017								
	Gross Block				Accumulated Depreciation				Net Block
	As at March 31, 2016	Additions	Deletions	As at March 31, 2017	As at March 31, 2016	Depreciation charge for the year	Adjustments On disposals	As at March 31, 2017	As at March 31, 2017
	a	b	c	d	E	f	g	h	i
				(a+b-c)				(e+f-g)	(d-h)
<b><u>Tangible Assets</u></b>									
Freehold Land	69.48	-	-	69.48	-	-	-	-	69.48
Building	771.82	-	-	771.82	124.23	22.83	-	147.06	624.76
Plant & Machinery	3,375.28	1,157.04	-	4,532.32	1,004.13	355.74	-	1,359.87	3,172.45
Moulds & Dies	595.67	176.37	-	772.04	147.41	56.46	-	203.87	568.17
Electric Installation	112.09	4.91	-	117.00	36.14	10.36	-	46.50	70.50
Computers	38.43	3.00	-	41.43	26.26	6.32	-	32.58	8.85
Fire Extinguishers	5.14	0.15	-	5.29	1.23	0.35	-	1.58	3.71
Furniture & Fixtures	103.92	17.73	-	121.65	23.47	10.78	-	34.25	87.40
Office Equipment	36.20	4.00	-	40.20	17.87	5.28	-	23.15	17.05
Vehicles	37.67	22.79	13.26	47.20	19.75	6.70	12.25	14.20	33.00
<b>Total A.</b>	<b>5,145.70</b>	<b>1,385.99</b>	<b>13.26</b>	<b>6,518.43</b>	<b>1,400.49</b>	<b>474.82</b>	<b>12.25</b>	<b>1,863.06</b>	<b>4,655.37</b>
<b><u>Intangible Assets</u></b>									
ERP	34.29	2.13	-	36.42	10.86	11.32	-	22.18	14.24
<b>Total B.</b>	<b>34.29</b>	<b>2.13</b>	<b>-</b>	<b>36.42</b>	<b>10.86</b>	<b>11.32</b>	<b>-</b>	<b>22.18</b>	<b>14.24</b>
<b>Total (A + B)</b>	<b>5,179.99</b>	<b>1,388.12</b>	<b>13.26</b>	<b>6,554.85</b>	<b>1,411.35</b>	<b>486.14</b>	<b>12.25</b>	<b>1,885.24</b>	<b>4,669.61</b>

(Amount in Rs. Lakhs)

Particulars	For the Period Ended September 31, 2017								
	Gross Block				Accumulated Depreciation				Net Block
	As at March 31, 2017	Additions	Deletions	As at September 30, 2017	As at March 31, 2017	Depreciation charge for the year	Adjustments On disposals	As at September 30, 2017	As at September 30, 2017
	a	b	c	d	E	f	g	H	i
				(a+b-c)				(e+f-g)	(d-h)
<b><u>Tangible Assets</u></b>									
Freehold Land	69.48	-	-	69.48	-	-	-	-	69.48
Building	771.82	-	-	771.82	147.06	11.44	-	158.50	613.32
Plant & Machinery	4,532.32	0.86	-	4,533.18	1,359.87	198.90	-	1,558.77	2,974.41
Moulds & Dies	772.04	73.18	-	845.22	203.87	34.64	-	238.51	606.71
Electric Installation	117.00	-	-	117.00	46.50	5.13	-	51.63	65.37
Computers	41.43	3.97	-	45.40	32.58	2.57	-	35.15	10.25
Fire Extinguishers	5.29	0.08	-	5.37	1.58	0.18	-	1.76	3.61
Furniture & Fixtures	121.65	0.72	-	122.37	34.25	5.90	-	40.15	82.22
Office Equipment	40.20	2.77	-	42.97	23.15	2.75	-	25.90	17.07
Vehicles	47.20	58.06	3.82	101.44	14.20	2.67	3.63	13.24	88.20
<b>Total A.</b>	<b>6,518.43</b>	<b>139.64</b>	<b>3.82</b>	<b>6,654.25</b>	<b>1,863.06</b>	<b>264.18</b>	<b>3.63</b>	<b>2,123.61</b>	<b>4,530.64</b>
<b><u>Intangible Assets</u></b>									
ERP	36.42	6.49	-	42.91	22.18	6.23	-	28.41	14.50
<b>Total B.</b>	<b>36.42</b>	<b>6.49</b>	<b>-</b>	<b>42.91</b>	<b>22.18</b>	<b>6.23</b>	<b>-</b>	<b>28.41</b>	<b>14.50</b>
<b>Total (A + B)</b>	<b>6,554.85</b>	<b>146.13</b>	<b>3.82</b>	<b>6,697.16</b>	<b>1,885.24</b>	<b>270.41</b>	<b>3.63</b>	<b>2,152.02</b>	<b>4,545.14</b>

**Annexure "XV"****Summary statement of Restated Capital Work-in-Progress****(Amount in Rs. Lakhs)**

Particulars	As at September 30, 2017	As at March 31				
		2017	2016	2015	2014	2013
Building	-	-	29.35	-	36.54	168.65
Plant and machinery	-	-	-	-	333.83	20.29
Furniture and fixture	-	-	-	-	-	0.07
Pre-operative expenses	-	-	8.75	-	49.56	87.17
	-	-	<b>38.10</b>	-	<b>419.93</b>	<b>276.18</b>

**Annexure "XVI"****Summary statement of Restated Intangible Asset Under Development****(Amount in Rs. Lakhs)**

Particulars	As at September 30, 2017	As at March 31				
		2017	2016	2015	2014	2013
<u>Intangible asset under development</u>						
ERP Software	-	-	-	34.29	27.80	15.24
	-	-	-	<b>34.29</b>	<b>27.80</b>	<b>15.24</b>

**Annexure "XVII"****Summary statement of Restated Non-Current Investment****(Amount in Rs. Lakhs)**

Particulars	As at September 30, 2017		As at March 31									
			2017		2016		2015		2014		2013	
	Units	Amount	Units	Amount	Units	Amount	Units	Amount	Units	Amount	Units	Amount
<b>Non-trade Investments (unquoted)</b>												
<b>Investments in Mutual Funds</b>												
Reliance Money Manager Fund	-	-	-	-	773	7.74	733	7.35	3,148	31.54	25,232	252.66
ICICI Pro Focused Blue-chip Equity Fund	22,835	5.80	21,180	5.20	17,305	4.00	13,055	2.80	8,507	1.60	2,188	0.40
Reliance Equity Opportunities Fund	23,711	11.50	22,996	10.90	21,334	9.70	19,662	8.50	17,791	7.30	14,925	6.10
UTI Opportunity Fund	-	-	21,180	3.50	11,665	3.50	11,665	3.50	11,665	3.50	11,665	3.50
IDFC Mutual Fund	93,872	10.00	93,872	10.00	-	-	-	-	-	-	-	-
Kotak Emerging Equity Scheme Growth	16,315	6.00	-	-	-	-	-	-	-	-	-	-
	<b>156,733</b>	<b>33.30</b>	<b>159,228</b>	<b>29.60</b>	<b>51,077</b>	<b>24.94</b>	<b>45,115</b>	<b>22.15</b>	<b>41,111</b>	<b>43.94</b>	<b>54,010</b>	<b>262.66</b>

**Annexure "XVIII"****Summary statement of Restated Long-Term Loan and Advances****(Amount in Rs. Lakhs)****(Unsecured, Considered Good unless otherwise stated)**

Particulars	As at September 30, 2017	As at March 31				
		2017	2016	2015	2014	2013
Capital Advances	79.77	21.56	231.86	88.11	109.69	974.35
Security Deposits	46.80	41.64	40.46	32.05	36.07	0.30
Balance with statutory/ government authorities	95.95	95.95	71.99	51.47	33.60	15.77
Minimum Alternate Tax Credit Entitlement	40.49	107.84	190.37	33.55	11.31	11.31
Advance tax and TDS (Net of provisions)	27.61	26.32	29.17	29.10	29.10	27.30
	<b>290.62</b>	<b>293.31</b>	<b>563.85</b>	<b>234.28</b>	<b>219.77</b>	<b>1,029.03</b>

**Annexure "XIX"****Summary statement of Restated Other Non-Current Assets****(Amount in Rs. Lakhs)**

Particulars	As at September 30, 2017	As at March 31				
		2017	2016	2015	2014	2013
Fixed Deposits more than 12 months	321.72	301.73	12.28	1.80	-	-
	<b>321.72</b>	<b>301.73</b>	<b>12.28</b>	<b>1.80</b>	<b>-</b>	<b>-</b>

**Annexure "XX"****Summary statement of Restated Inventories****(Amount in Rs. Lakhs)**

Particulars	As at September 30, 2017	As at March 31				
		2017	2016	2015	2014	2013
<b>i) Valued at lower of cost or net realizable value</b>						
Raw materials	406.35	497.42	282.49	383.69	151.19	186.23
Work in Progress	260.35	172.33	127.65	161.75	110.80	32.54
Finished goods	307.34	457.63	179.87	187.10	288.68	45.13
Packing materials	53.71	74.10	55.61	21.96	24.90	13.62
Printing Ink	14.72	29.38	22.60	17.15	7.31	11.65
<b>ii) Valued at cost</b>						
Stores and spares	62.12	61.29	46.75	32.33	24.64	21.00
<b>iii) Valued at net realizable value</b>						
Unusable Wastage	16.93	7.14	18.62	1.75	5.03	0.25
	<b>1,121.52</b>	<b>1,299.29</b>	<b>733.59</b>	<b>805.73</b>	<b>612.55</b>	<b>310.42</b>

**Annexure "XXI"****Summary statement of Restated Trade Receivables****(Amount in Rs. Lakhs)****(Unsecured, Considered Good unless otherwise stated)**

Particulars	As at September 30, 2017	As at March 31				
		2017	2016	2015	2014	2013
<u>Due for a period exceeding six months from the date they are due for payment</u>						
-Unsecured Considered Goods	31.86	16.46	6.17	11.16	14.63	4.67
-Unsecured Considered Doubtful	7.41	7.41	7.41	6.91	6.91	6.91
	39.27	23.87	13.58	18.07	21.54	11.58
<u>Less: Provision for Doubtful debts</u>	7.41	7.41	7.41	6.91	6.91	6.91
	31.86	16.46	6.17	11.16	14.63	4.67
<b><u>Other debts</u></b>						
-Unsecured Considered Goods	1,746.59	1,252.82	1,397.77	923.91	550.85	559.68
-Unsecured Considered Doubtful	4.20	4.20	4.20	5.94	9.26	9.41
	1,750.79	1,257.02	1,401.97	929.85	560.11	569.09
<u>Less: Provision for Doubtful debts</u>	4.20	4.20	4.20	5.94	9.26	9.41
	1,746.59	1,252.82	1,397.77	923.91	550.85	559.68
	<b>1,778.45</b>	<b>1,269.28</b>	<b>1,403.94</b>	<b>935.07</b>	<b>565.48</b>	<b>564.35</b>

**Annexure "XXII"****Summary statement of Restated Cash and Cash Equivalent****(Amount in Lakhs)**

Particulars	As at September 30, 2017	As at March 31				
		2017	2016	2015	2014	2013
<u>Balances with Scheduled banks:</u>						
On current accounts	153.51	39.20	629.28	310.02	21.32	665.07
Cash on hand	5.00	15.57	18.49	14.48	13.76	6.40
Fixed Deposit (original maturity less than three Months)	-	-	170.16	-	-	-
<u>Other bank balances</u>						
Margin Money	-	-	-	127.93	23.60	93.76
Fixed Deposit (Maturity more than three months less than twelve months)	48.46	47.64	109.46	-	-	-
	<b>206.97</b>	<b>102.41</b>	<b>927.39</b>	<b>452.43</b>	<b>58.68</b>	<b>765.23</b>

**Annexure "XXIII"****Summary statement of Restated Short-term Loan & Advances****(Amount in Rs. Lakhs)****(Unsecured, Considered Good unless otherwise stated)**

Particulars	As at September 30, 2017	As at March 31				
		2017	2016	2015	2014	2013
Advance given to Creditors	49.50	57.92	40.79	9.45	4.80	5.42
Advance recoverable in cash or kind	22.70	18.08	10.95	22.07	3.51	-
Deposits	10.23	11.92	11.02	8.58	5.38	11.28
Prepaid expenses	-	-	-	2.09	2.67	2.28
Advance to Gratuity Fund	-	-	-	0.95	-	-
Balance with statutory/ government authorities	53.19	93.15	65.75	248.58	345.02	30.74
	<b>135.62</b>	<b>181.07</b>	<b>128.51</b>	<b>291.72</b>	<b>361.38</b>	<b>49.72</b>

**Annexure "XXIV"****Summary statement of Other Current Asset****(Amount in Rs. Lakhs)**

Particulars	As at September 30, 2017	As at March 31				
		2017	2016	2015	2014	2013
Interest accrued on fixed deposits	-	-	-	-	1.47	1.79
Other Receivables						
From Related parties	-	-	-	-	1.44	-
From Others	-	-	-	-	5.63	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8.54</b>	<b>1.79</b>

**Annexure "XXV"****Summary Statement of Restated Revenues from Operations****(Amount in Rs. Lakhs)**

Particulars	For the Period Ended September 30, 2017	For the Year Ended March 31				
		2017	2016	2015	2014	2013
<u>Sale of Products</u>						
Manufactured Products	5,749.26	10,438.55	10,497.91	7,093.76	4,157.15	3,316.80
Traded Products	41.46	45.94	104.38	207.71	191.71	32.05
	<b>5,790.72</b>	<b>10,484.49</b>	<b>10,602.29</b>	<b>7,301.47</b>	<b>4,348.86</b>	<b>3,348.85</b>
Other Operating Revenue						
- Scrap Sale	36.12	79.97	41.02	13.47	3.38	6.36
- Job Work	-	-	-	-	-	0.06
	<b>5,826.84</b>	<b>10,564.46</b>	<b>10,643.31</b>	<b>7,314.94</b>	<b>4,352.24</b>	<b>3,355.27</b>

**Annexure "XXVI"****Summary Statement of Restated Other Income****(Amount in Rs. Lakhs)**

Particulars	For the Period Ended September 30, 2017	For the Year Ended March 31				
		2017	2016	2015	2014	2013
Interest Income	9.20	23.66	14.61	8.69	3.09	1.53
Dividend Income on Non-current investments	-	0.13	0.40	0.82	10.88	48.95
Net (loss)/Gain on Foreign Currency Transaction	-	75.27	25.01	-	-	7.62
Interest on Income Tax Refund	-	5.33	-	-	-	-
Sundry Balance Written Off	-	2.76	7.33	11.20	9.86	7.30
Profit on sale of Investment	2.63	0.05	-	-	-	-
Miscellaneous Income	9.50	0.99	0.42	-	-	-
Duty Drawback	0.76	6.18	0.72	-	-	-
	<b>22.09</b>	<b>114.37</b>	<b>48.49</b>	<b>20.71</b>	<b>23.83</b>	<b>65.40</b>

**Annexure "XXVII"****Summary Statement of Restated Cost of Material Consumed****(Amount in Rs. Lakhs)**

Particulars	For the Period Ended September 30, 2017	For the Year Ended March 31				
		2017	2016	2015	2014	2013
Opening stock	497.42	282.49	383.69	151.19	186.23	124.86
Add: Purchases	2,918.12	5,348.12	4,917.66	3,898.99	2,396.21	1,792.61
Less: Closing stocks	406.35	497.42	282.49	383.69	151.19	186.23
	<b>3,009.19</b>	<b>5,133.19</b>	<b>5,018.86</b>	<b>3,666.49</b>	<b>2,431.25</b>	<b>1,731.24</b>

**Annexure "XXVIII"****Summary Statement of Restated Purchase of Stock-in-trade****(Amount in Rs. Lakhs)**

Particulars	For the Period Ended September 30, 2017	For the Year Ended March 31				
		2017	2016	2015	2014	2013
Purchase of stock in trade	33.52	50.36	98.69	188.00	179.87	32.20
	<b>33.52</b>	<b>50.36</b>	<b>98.69</b>	<b>188.00</b>	<b>179.87</b>	<b>32.20</b>



**Annexure "XXIX"****Summary Statement of Restated Changes in inventories of finished goods, and stock in trade****(Amount in Rs. Lakhs)**

Particulars	For the Period Ended September 30, 2017	For the Year Ended March 31				
		2017	2016	2015	2014	2013
<b><u>Opening Inventories</u></b>						
Finished Goods	406.78	159.88	166.31	256.92	40.17	99.91
Work-in-Progress	172.33	127.65	161.75	110.80	32.54	22.83
Unusable Wastage (Scrap)	7.14	18.62	1.75	5.03	0.25	1.87
<b><u>Closing Inventories</u></b>						
Finished Goods	307.34	406.78	159.88	166.31	256.92	40.17
Work-in-Progress	260.35	172.33	127.65	161.75	110.80	32.54
Unusable Wastage (Scrap)	16.93	7.14	18.62	1.75	5.03	0.25
Excise duty on increase/(decrease) of finished goods	-	50.85	19.99	20.79	31.76	4.96
	<b>1.63</b>	<b>(330.95)</b>	<b>3.67</b>	<b>22.15</b>	<b>(331.55)</b>	<b>46.69</b>

**Annexure "XXX"****Summary Statement of Restated Employee Benefits Expenses****(Amount in Rs. Lakhs)**

Particulars	For the Period Ended September 30, 2017	For the Year Ended March 31				
		2017	2016	2015	2014	2013
Salary Wages and Bonus	324.36	573.69	566.97	418.12	244.73	159.37
Director's Remuneration	61.20	112.20	88.00	60.00	60.00	60.00
Contribution to Provident Fund	20.17	33.88	27.50	17.10	5.96	5.30
Gratuity Expense	9.33	8.39	7.79	2.59	2.17	2.07
Staff Welfare Expenses	5.75	12.55	9.74	8.10	13.47	6.93
	<b>420.81</b>	<b>740.71</b>	<b>700.00</b>	<b>505.91</b>	<b>326.33</b>	<b>233.67</b>

**Annexure "XXXI"****Summary Statement of Restated Finance Cost****(Amount in Rs. Lakhs)**

Particulars	For the Period Ended September 30, 2017	For the Year Ended March 31				
		2017	2016	2015	2014	2013
<b><u>Interest expense</u></b>						
On bank borrowings	108.33	242.09	374.40	378.80	134.46	6.61
Others	0.32	6.57	14.36	2.31	-	-
Bank Charges	5.65	9.82	6.02	3.53	2.59	1.83
Other borrowing cost	0.68	33.02	2.00	5.79	-	1.39
	<b>114.98</b>	<b>291.50</b>	<b>396.78</b>	<b>390.43</b>	<b>137.05</b>	<b>9.83</b>

**Annexure "XXXII"****Summary Statement of Restated Other Expenses****(Amount in Rs. Lakhs)**

Particulars	For the Period Ended September 30, 2017	For the Year Ended March 31				
		2017	2016	2015	2014	2013
Store and Spare Parts Consumed	75.10	118.44	104.58	86.11	31.66	35.62
Power & Fuel	216.71	415.76	365.86	330.76	231.38	159.78
Printing Consumables	27.67	39.81	34.45	25.82	24.66	18.35
Other Factory Expenses	36.49	88.39	65.60	44.32	26.71	15.94
<b>Repairs &amp; Maintenance</b>						
- Plant & Machinery	7.44	21.42	12.19	7.97	5.77	6.38
- Factory Building	1.00	15.84	32.15	10.40	2.18	3.11
Job Charges	3.00	124.80	207.16	76.13	91.56	66.56
Packing Materials Consumed	222.49	337.53	291.65	218.31	169.54	141.51
Printing Ink Consumed	24.68	74.07	55.80	31.46	35.15	26.12
Insurance	12.87	19.11	14.52	11.16	8.67	6.28
Rent	18.88	31.29	14.56	5.70	3.82	4.26
Transport Outward	167.12	275.02	248.28	222.59	165.99	123.13
Travelling Expenses	22.73	39.76	38.24	19.57	11.48	8.48
AMC Service	19.51	39.00	32.06	-	-	-
Legal and Professional Charges	21.25	31.02	38.57	17.23	5.35	9.84
Commission Expenses	4.20	16.14	27.56	1.34	0.77	1.24
Communication Expenses	12.75	26.57	27.55	29.55	13.37	7.99
Selling Expenses	17.45	26.89	31.23	1.34	0.77	0.12
Payment to auditors	4.60	15.81	11.54	6.88	6.70	3.45
Sundry Balance Written Off	0.16	0.70	0.62	20.65	8.13	6.53
Loss on Foreign Exchange Fluctuation (Net)	0.79	-	-	3.15	2.32	-
Loss on sale of Investment	-	-	-	0.01	-	0.24
Loss on Sale of Vehicle	0.06	0.14	-	-	-	-
Expenditure on CSR Activities	4.00	5.67	-	-	-	-
Directors Sitting Fees	0.30	1.00	-	-	-	-
Provision for Doubtful Debts	-	-	0.50	-	1.36	2.24
Provision for excise duty on finished goods	-	50.85	19.99	20.79	31.76	4.96
Miscellaneous Expenses	31.90	78.77	38.61	51.70	22.48	14.16
	<b>953.15</b>	<b>1,893.80</b>	<b>1,713.27</b>	<b>1,242.94</b>	<b>901.58</b>	<b>666.29</b>

**Annexure "XXXIII"****Statement of Dividend Paid / Proposed on Equity Shares and Preference Shares****1. Statement of Dividend Paid / Proposed on Equity Shares**

Particulars	As at September 30, 2017	As at March 31				
		2017	2016	2015	2014	2013
<b>Share Capital</b>						
Equity Shares of Rs. 10 Each (Numbers)	7,976,061	7,976,061	2,658,687	2,458,687	2,458,687	2,458,687
(Amount in Rs. Lakhs)	797.61	797.61	265.87	245.87	245.87	245.87
Equity Shares of Rs. 10 Each Re. 1 Paid-up (Numbers)	-	-	-	200,000	200,000	200,000
(Amount in Rs. Lakhs)	-	-	-	2.00	2.00	2.00
<b>Final / Proposed Dividend</b>						
Rate of Dividend (%)	7.50%	-	10%	-	-	-
Dividend per Shares (Rs.)	0.75	-	1.00	-	-	-
Amount of Dividend (Rs. In Lakhs)	59.81	-	26.59	-	-	-
Dividend Distribution Tax (Rs. In Lakhs)	12.18	-	5.42	-	-	-
<b>Interim Dividend</b>						
Rate of Dividend (%)	-	7.50%	40%	-	-	-
Dividend per Shares (Rs.)	-	0.75	4.00	-	-	-
Amount of Dividend (Rs. In Lakhs)	-	59.82	99.15	-	-	-
Dividend Distribution Tax (Rs. In Lakhs)	-	12.18	20.18	-	-	-

**2. Statement of Dividend Paid / Proposed on Preference Shares**

Particulars	As at September 30, 2017	As at March 31				
		2017	2016	2015	2014	2013
<b>Share Capital</b>						
Preference Shares (Numbers)	-	-	-	-	-	-
Amount in Rs.	-	-	-	-	-	-
Rate of Dividend (%)	-	-	-	-	-	-
Dividend per Shares (Rs.)	-	-	-	-	-	-
Amount of Dividend (Rs.)	-	-	-	-	-	-
Dividend Distribution Tax (Rs.)	-	-	-	-	-	-

**Annexure "XXXIV"****Summary Statement of Accounting Ratios****(Amount in Rs. Lakhs)**

Particulars	As at September 30, 2017	As at March 31				
		2017	2016	2015	2014	2013
Restated Net Profit Attributable to Equity Shareholders	473.76	877.90	794.24	72.38	(3.24)	191.61
Earning Per Share (EPS) (Rs.) [a/b]						
- Basic [a/b] *	5.94	11.01	10.17	0.93	(0.04)	2.46
- Diluted [a/c] *	5.94	11.01	10.17	0.93	(0.04)	2.46
Return on Net Worth (%) [a/e %]	10.91%	22.28%	25.34%	3.01%	-0.14%	8.21%
Net Asset Value Per Share (Rs.) [f/d]	54.44	49.41	117.90	96.90	93.98	94.11
Weighted Average No. of Equity Shares	7,976,061	7,976,061	7,796,061	7,796,061	7,796,061	7,796,061
No. of Equity Shares outstanding	7,976,061	7,976,061	2,658,687	2,478,687	2,478,687	2,478,687

**Notes :**

1	Restated Net Profit after tax adjustments [a]	473.76	877.90	794.24	72.38	(3.24)	191.61
	Weighted Average No. of Equity Shares [b]	7,976,061	7,976,061	7,796,061	7,796,061	7,796,061	7,796,061
	Total No. of Equity Share for Calculating Diluted EPS [c]	7,976,061	7,976,061	7,796,061	7,796,061	7,796,061	7,796,061
	No. of Equity Shares at the end of the year/period* [d]	7,976,061	7,976,061	2,658,687	2,478,687	2,478,687	2,478,687
	Net Worth [e]	4,342.36	3,940.59	3,134.69	2,401.79	2,329.41	2,332.65
	Net Asset [f]	4,342.36	3,940.59	3,134.69	2,401.79	2,329.41	2,332.65

2 **Formula :**

Earning per Share (Rs.) = 
$$\frac{\text{Net Profit attributable to equity shareholders}}{\text{Weighted Average number of equity shares outstanding during the period}}$$

Net Asset Value Per Share (Rs.) = 
$$\frac{\text{Net Worth excluding revaluation reserve at the end of the period}}{\text{Total Number of equity shares outstanding at the end of the year/period}}$$

Return on Net Worth (%) = 
$$\frac{\text{Net Profit after tax adjustments}}{\text{Net worth at the end of the year/period}}$$

Net Asset = Equity Share Capital plus Reserves & Surplus less Miscellaneous Expenditure to the extent not written off.

\*No. of Equity Shares at the end of the year

Particulars	As at September 30, 2017	As at March 31				
		2017	2016	2015	2014	2013
No. of Equity shares of Rs. 10/- each fully paid up	7,976,061	7,976,061	2,658,687	2,458,687	2,458,687	2,458,687
No. of Equity Shares of Rs. 10/- each Re. 1/- paid up	-	-	-	200,000	200,000	200,000
	<b>7,976,061</b>	<b>7,976,061</b>	<b>2,658,687</b>	<b>2,658,687</b>	<b>2,658,687</b>	<b>2,658,687</b>
Total No. of Equivalent Equity Shares of Rs. 10 each fully paid up at the end of the year/period	<b>7,976,061</b>	<b>7,976,061</b>	<b>2,658,687</b>	<b>2,478,687</b>	<b>2,478,687</b>	<b>2,478,687</b>

Calculation of Weighted Average number of Equity Shares

Particulars	As at September 30, 2017	As at March 31				
		2017	2016	2015	2014	2013
No. of Equity shares of Rs. 10/- each fully paid up	7,976,061	7,976,061	2,478,687	2,458,687	2,458,687	2,458,687
<u>Add:</u> Bonus Shares	-	-	5,317,374	5,317,374	5,317,374	5,317,374
	7,976,061	7,976,061	7,796,061	7,776,061	7,776,061	7,776,061
<u>Add:</u> Equivalent no of Equity Shares of Re. 1/- Paid up	-	-	-	20,000	20,000	20,000
Weighted Average number of Equity Shares	7,976,061	7,976,061	7,796,061	7,796,061	7,796,061	7,796,061

**Annexure "XXXV"****Summary Statement of Capitalization****(Amount in Rs. Lakhs)**

<b>Particulars</b>	<b>Pre-Issue as at September 30, 2017</b>	<b>As Adjusted for the Issue*</b>
<b><u>Debts</u></b>		
Long Term Debt	2,207.34	[ * ]
Short Term Debt	386.78	[ * ]
<b>Total Debt</b>	<b>2,594.12</b>	<b>[ * ]</b>
<b><u>Equity (shareholder's funds)</u></b>		
Equity Share Capital	797.61	[ * ]
Reserves & Surplus	3,544.77	[ * ]
<b>Total Equity</b>	<b>4,342.38</b>	<b>[ * ]</b>
<b><u>Total Capitalization</u></b>		
Long Term Debt/Equity Ratio	0.51	[ * ]
Total Debt/Equity Ratio	0.60	[ * ]

- \* The corresponding 'As Adjusted for the Issue' capitalization data for each of the amounts given in the above table is not determinable at this stage pending the completion of the Book Building process and hence the same has not been provided in the above statement

**Notes:**

1. For the purpose of Long term debt / Equity ratio, Long term debt has been considered including current maturities of long term debt
2. The above have been computed on the basis of restated statement of accounts.

**Annexure "XXXVI"****Summary Statement of Tax Shelter**

(Amount in Rs. Lakhs)

Particulars		As at September 30, 2017	As at March 31				
			2017	2016	2015	2014	2013
<b>Profit / (Loss) before Tax as per Restated Profit and Loss Account (a)</b>		<b>687.04</b>	<b>1,355.69</b>	<b>1,204.19</b>	<b>109.75</b>	<b>(25.30)</b>	<b>243.70</b>
Normal Rate (b)		34.61%	34.61%	33.06%	30.90%	30.90%	30.90%
Tax at Normal Rate (c) = (a) * (b)		237.77	469.18	398.14	33.91	(7.82)	75.30
<b>Adjustments:</b>							
<b><u>Permanent Difference</u></b>							
Section 14A		0.32	0.27	0.17	2.23	1.30	0.89
Penalty for violation of law		-	0.33	0.82	0.76	0.24	0.72
Loss on Sale of Investment		-	-	-	-	-	0.24
Loss on Sale of Fixed Asset		-	0.14	-	-	-	-
Donations		2.00	3.74	1.67	0.51	0.43	0.24
Interest on TDS		-	6.19	0.22	0.33	0.38	-
Excess Interest Reversed During the Year		-	-	-	0.32	-	-
Disallowance under 43A		-	-	1.05	0.51	-	-
Forex Loss Already Considered		-	2.38	-	-	-	-
Capital Gains		-	(0.05)	-	-	-	-
Dividend on Non-Current Investment		-	(0.13)	(0.40)	(0.82)	(10.88)	(48.95)
Foreign Currency fluctuation of Capital asset capitalized		-	-	-	-	(36.27)	-
80IB: Other industrial undertakings		-	-	-	-	-	(35.58)
<b>Total permanent Difference</b>		<b>2.32</b>	<b>12.87</b>	<b>3.53</b>	<b>3.84</b>	<b>(44.80)</b>	<b>(82.44)</b>
<b><u>Timing Difference</u></b>							
Depreciation as per Books		270.41	486.14	416.10	379.44	281.74	89.08
Depreciation as per Income-Tax Act		(320.08)	(766.77)	(528.20)	(594.20)	(910.92)	(168.04)
Non- Payment of TDS		-	(0.41)	(0.75)	1.44	-	-
Disallowance under 43B		9.33	(22.39)	4.73	0.70	12.02	4.98
Provision for Gratuity		-	8.39	6.84	2.89	4.21	2.72
Gratuity Paid During the Year		(6.69)	-	(6.84)	(4.19)	(2.72)	-
Provision for bad and doubtful debts		-	-	0.50	-	1.36	2.24
35D: Preliminary expenses		-	-	(0.71)	(0.71)	(0.71)	(0.71)
<b>Total permanent Difference</b>		<b>(47.03)</b>	<b>(295.04)</b>	<b>(108.33)</b>	<b>(214.63)</b>	<b>(615.02)</b>	<b>(69.73)</b>

Particulars		As at September 30, 2017	As at March 31				
			2017	2016	2015	2014	2013
	<b>Net Adjustment</b>	<b>(44.71)</b>	<b>(282.17)</b>	<b>(104.80)</b>	<b>(210.79)</b>	<b>(659.82)</b>	<b>(152.17)</b>
	Tax Savings thereon (e) = (d) * (b)	(15.47)	(97.65)	(34.65)	(65.13)	(203.88)	(47.02)
	B/f. Losses Adjusted (f)	-	-	784.60	-	-	-
	Tax thereon (g) = (f) * (b)	-	-	259.41	-	-	-
<b>A.</b>	<b>Total Tax as per Normal Provision (c) + (e) - (g)</b>	<b>222.29</b>	<b>371.53</b>	<b>104.08</b>	<b>-</b>	<b>-</b>	<b>28.28</b>
	<b>Profit / (Loss) before Tax as per Restated Profit and Loss Account (a)</b>	<b>687.04</b>	<b>1,355.69</b>	<b>1,204.19</b>	<b>109.75</b>	<b>(25.30)</b>	<b>243.70</b>
	MAT Rate (b)	21.34%	21.34%	21.34%	20.01%	20.01%	20.01%
	Tax as per MAT (c) = (a) * (b)	146.63	289.33	256.99	21.96	(5.06)	48.76
	<b>Adjustments:</b>						
	<i>14A disallowance</i>	0.32	0.27	0.17	2.23	1.30	0.89
	<i>Provision for Doubtful debts</i>	-	-	0.50	-	1.36	2.24
	<i>Dividend</i>	-	(0.13)	(0.40)	(0.82)	(10.88)	(48.95)
	Total Adjustments (d)	<b>0.32</b>	<b>0.14</b>	<b>0.27</b>	<b>1.41</b>	<b>(8.22)</b>	<b>(45.82)</b>
	Tax Savings thereon (e) = (d) * (b)	<b>0.07</b>	<b>0.03</b>	<b>0.06</b>	<b>0.28</b>	<b>(1.64)</b>	<b>(9.17)</b>
<b>B.</b>	<b>Total Tax as per MAT Provisions (c) + (e)</b>	<b>146.69</b>	<b>289.36</b>	<b>257.05</b>	<b>22.24</b>	<b>-</b>	<b>39.59</b>
	Current Tax [Higher of (A) & (B)]	222.29	371.53	257.05	22.24	-	39.59
	<b>Provision for Current Tax on Restated Profit</b>	<b>146.69</b>	<b>289.36</b>	<b>257.05</b>	<b>22.24</b>	<b>-</b>	<b>39.59</b>
	<b>MAT Credit (Entitlement) / Utilized</b>	<b>75.60</b>	<b>82.17</b>	<b>(152.97)</b>	<b>(22.24)</b>	<b>-</b>	<b>(11.31)</b>



**Annexure "XXXVII"****Summary Statement of Restated Related Party Disclosures:**

As required under Accounting Standard 18 "Related Party Disclosure" (AS-18), following are details of transactions during the year with the related parties of the Company as defined in AS 18:

**a. List of related parties and Relationships**

Relationship	Period Ended September 30, 2017	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
	<b>Name of the Related Party</b>					
Key managerial personnel	Mr. Ramswaroop Radheshyam Thard					
	Mr. Naresh Radheshyam Thard					
	Akash Jadia (Company Secretary) - (From March 20, 2017)					
Relative of Key managerial personnel with whom company has entered into transactions	Mr. Anand Sajjankumar Rungta					
	Mr. Radheshayam Jugalkishore Thard (Upto February 28, 2017)					
	Mrs. Shashi Ramswaroop Thard					
	Mrs. Varsha Naresh Thard					
Enterprises having significant influence over the reporting enterprise	Sajjankumar Nanikram Rungta HUF					
Reporting Enterprise is the Associates of Holding Company	Polytype Asia Pacific Co. Ltd.					
Enterprises having same Key Management Personnel and / or their Relatives or under significant influence	Bobson Industries					
	Orbit Industries					
	Rajshree Infotech (From 21 <sup>st</sup> February 2013)					
	S.R. Plastics					

**b. Related Party Transactions**
**(Amount in Rs. Lakhs)**

Name of Party	Nature of Transaction	Period Ended September 30, 2017	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
Mr. Ramswaroop Radheshyam Thard	Directors Remuneration	34.20	62.70	50.00	36.00	36.00	36.00
	Advance Given for Expenses	-	-	-	-	2.45	-
	Reimbursement of Expenses Paid	-	-	-	-	2.98	-
	Share Proceeds Received	-	-	6.30	-	-	-
	Securities Premium	-	-	25.20	-	-	-
Mr. Naresh Radheshyam Thard	Directors Remuneration	27.00	49.50	38.00	24.00	24.00	24.00
	Share Proceeds Received	-	-	5.22	-	-	-
	Securities Premium	-	-	20.88	-	-	-
Mr. Akash Jadia	Salary	0.90	0.05	-	-	-	-
Mr. Anand Sajjankumar Rungta	Share Proceeds Received	-	-	0.54	-	-	-
	Securities Premium	-	-	2.16	-	-	-
	Unsecured Loan repaid	-	-	-	-	-	0.20
Mr. Radheshyam Jugalkishore Thard	Share Proceeds Received	-	-	0.18	-	-	-

	Securities Premium	-	-	0.72	-	-	-
Mrs. Shashi Ramswaroop Thard	Share Proceeds Received	-	-	0.18	-	-	-
	Securities Premium	-	-	0.72	-	-	-
Mrs. Varsha Naresh Thard	Share Proceeds Received	-	-	0.18	-	-	-
	Securities Premium	-	-	0.72	-	-	-
Mr. Sajjan Kumar Rungta HUF	Unsecured Loan Taken	-	-	-	50.00	-	-
	Repayment of Unsecured Loan	-	-	-	50.00	-	1.83
	Share Proceeds Received	-	-	5.40	-	-	-
	Securities Premium	-	-	21.60	-	-	-

Name of Party	Nature of Transaction	Period Ended September 30, 2017	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
Bobson Industries	Job-work charges paid	-	7.38	9.45	15.74	23.98	10.89
	Job-work charges received	-	-	-	-	-	0.06
	Sales	20.76	63.93	10.65	-	3.39	-
	Purchases	33.46	8.25	30.66	12.31	21.19	4.39
	Corporate Guarantee to Bank against credit Facility	-	-	-	-	-	130.00
Orbit Industries	Purchases	2.01	6.68	6.46	25.06	50.45	4.21
	Sales	26.12	9.01	92.00	73.27	18.84	20.95
	Job-work charges paid	-	65.32	159.73	22.81	33.97	23.77
Rajshree Infotech	AMC Service	19.50	39.00	31.50	5.00	-	-
S. R. Plastics	Sales	-	-	6.19	-	-	-
	Purchases	-	-	15.41	52.03	24.72	4.81
	Purchases of Plant and Machinery	-	-	29.35	-	-	-
	Job-work charges paid	-	-	-	0.26	-	1.55
Polytype Asia Pacific Co. Ltd.	Purchases of Plant and Machinery	0.89	255.93	-	-	-	-
	Machinery Consumable	0.87	-	-	-	-	-

c. Balance Outstanding of Related Parties :

(Amount in Rs. Lakhs)

Name of Party	Receivable / Payable	Period Ended September 30, 2017	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
Bobson Industries	Trade Payable	-	37.60	21.11	4.57	3.94	0.47
	Trade Receivable	14.56	-	-	-	-	-
	Corporate Guarantee to Bank	-	-	130.00	130.00	130.00	130.00
Orbit Industries	Trade Receivable	28.45	-	0.06	59.30	18.88	-
	Trade Payable	-	0.51	29.41	15.46	2.82	6.69
S. R. Plastics	Trade Payable	-	-	18.58	3.44	1.49	1.97
Mr. Ramswaroop Radheshyam Thard	Advance for Expenses	-	-	-	-	1.44	1.97
Rajshree Infotech	Advance for Expenses	-	3.67	3.66	2.50	-	-
	Creditors for Expenses	3.77	-	-	-	-	-
Polytype Asia Pacific Co. Ltd	Advance payment for Capital Goods	-	-	58.16	-	-	-
	Trade Payable for Capital goods	1.77	1.18	-	-	-	-

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*You should read the following discussion of our financial condition and results of operations together with our restated Financial Statements for the six (6) months ended September 30, 2017 and Fiscal 2017, 2016, 2015, 2014 and 2013, including the notes thereon and the report thereon, in the section titled "Financial Statements" beginning on page 188 of this Draft Red Herring Prospectus. You should also read the section titled "Risk Factors" beginning on page 20 of this Draft Red Herring Prospectus, which discusses a number of factors and contingencies that could impact our financial condition and results of operations.*

*The following discussion relates to our Company, unless otherwise stated and is based on restated Financial Statements. These financial statements have been prepared in accordance with Indian GAAP, the Companies Act and SEBI ICDR Regulations and restated as described in the report of our Auditors dated December 18, 2017, which is included in this Draft Red Herring Prospectus under "Financial Statements" beginning on page 188 of this Draft Red Herring Prospectus. Our fiscal year ends on March 31 of each year; therefore, all references to a particular fiscal are to the twelve-month period ended March 31 of that year. See also the chapter titled "Presentation of Financial, Industry and Market Data" beginning on page 18 of this Draft Red Herring Prospectus.*

*This discussion may contain forward-looking statements and reflect our current future plans and expectations. Actual results may differ materially from those anticipated in the forward-looking statements. 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. Given these uncertainties, prospective investors are cautioned not to place undue reliance on such forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those discussed in the section titled "Risk Factors" and chapters titled "Forward-Looking Statements" and "Business Overview" beginning on pages 20, 16 and 126, respectively of this Draft Red Herring Prospectus. In this section "we", "us", "our" refers to our Company.*

### **Business Overview**

With more than a decade of experience we are one of the leaders in manufacturing of rigid plastic sheets and thermoformed packaging products (*source: CARE Advisory Report, February 2018*) to the industry segment we cater to. We aim to continue to build our strengths in the field of rigid and semi-rigid plastic sheets and plastic packaging products. We manufacture customized plastic thermoformed packaging products which are tailored to the client's requirements. Our products range from yoghurt & ice cream containers, food packing, QSRs, coffee cups, bakery products and confectioneries, beverage cups & containers, generic bowls, punnets & trays for fruits and vegetable packing, lids etc. We have a wide range of sizes and designs to meet the customers' need. Our incessant commitment to design and development continues to add new products to our existing product-line.

With an annual capacity of over 10,000 MT and more than 100 products, we are fundamentally committed to the ongoing technical advancement, whilst aiming to stay updated on the technology used in our business. Our manufacturing facility (Factory Unit - II) at Daman has been equipped with the state of the art machinery.

In the year 2004-05, we believe we were one of the early ones to introduce 6-colour printing in dry offset technology in our industry in the Indian market. In the year 2008-09, we believe we introduced alternate decoration technology of shrink sleeving on cups and containers which has grown extensively since then. This has helped our distinguished customers to provide a better and a more attractive product to their consumers.

We have constantly strived to grow and improve our business. From a modest set up when we started our business in 2003-04, we are presently operating out of three (3) manufacturing facilities. For details regarding our history and major milestones, please refer to the chapter titled “*History and Certain Corporate Matters*” beginning on page 156 of this Draft Red Herring Prospectus.

For Fiscals 2017, 2016 and 2015, the growth in revenue from operations, net profit and EBITDA are as follows:

(in Rs. Lakhs, unless mentioned otherwise)				
Particulars	Fiscal 2017	Fiscal 2016	Fiscal 2015	CAGR (%)
Revenue from operations	9,506.04	9,503.14	6,484.37	21.08
Net profit	877.90	794.24	72.38	248.27
EBITDA	2,133.30	2,017.14	879.59	55.73

As on the date of this Draft Red Herring Prospectus, our long-term bank facilities are rated CARE BBB+ and our short-term bank facilities are rated CARE A3+.

### Our business and products

Packaging is a vital communicator with the customer/consumer, it plays a major role in giving a distinctive look and preserving the flavours and hygiene of the products which also protects the contents. Further, distinctive packaging also stands out whilst transporting the products. We provide rigid plastic packaging products (along with lids) in various shapes and sizes. We have a diversified range of products that cater to the dairy products, confectionaries, beverages, FMCG, QSR and the retail sector.

Our product range includes cups for cheese, yoghurt & curd, ice cream and desserts, packaging of juice, beverages and water, rectangular meal trays, trays for sweets and confectionaries, generic bowls, rectangular hinged containers, clear cups – PET, clear cups – PP, plates and barrier PP products.

A product wise breakdown of the industry / segment catered to by us is as under:

Products	Industry / segment catered to
Drinking cups	Packaged drinking water; juices; beverages
Containers/curd/ yoghurt cups	Dairy products; restaurants (in-house and take-away)
Ice-cream cups / containers	FMCG; dairy products
Plates/ trays	Restaurants (in-house and take-away); QSR
Bowls	Restaurants (in-house and take-away); QSR
Lids	Dairy products; Restaurants (in-house and take-away)
Hinged containers	Confectionaries

We also specialize in customized products and the products are manufactured in various sizes as per the needs of the customers. The shapes and sizes of the entire product range can be customized based on the product specification and customer’s requirements. We strive to ensure excellent shelf visibility with various decorations/design options like printing and sleeving. In addition to this, we constantly strive to improve our materials so as to ensure higher shelf life for our customers’ products.

We also produce rigid plastic sheets of PP / APET / GPET and HIPS, which are sold for ‘form filled sealed’ (FFS) application, for box making and for vacuum forming applications.

## **Our Strengths**

- Consistent track record of organic growth;
- We are one of the leaders in manufacturing of rigid plastic sheets and thermoformed packaging products (*source: CARE Advisory Report, February 2018*) to the industry segment we cater to in India;
- Strong customer relationships with a wide variety of industry players;
- Experienced management team;
- Relatively insulated against seasonality;
- Efficient infrastructure and resources management with strict quality control standards;
- Adaptation to new technologies;
- Co-development of products;
- Operations out of Daman which keeps our production costs down as the cost of power is relatively low in Daman. Daman also offers a locational advantage as it is located in the central west of India offering an ability to serve a substantial length of the country by way of its equal proximity to both north and south of India.

## **Our Strategies**

- Focus on operational efficiencies to improve returns;
- Continually co-develop products with our key customers;
- Focus on products, raw material and process that results in higher margin;
- Expand our customer base to US and UK and further increase our footprint in the Middle East.

## **Significant factors affecting results of our operations**

Our business, results of operations and financial condition are affected by a number of factors, including:

- dependency on our key customers and key suppliers;
- competition from international and domestic companies;
- dependency on machinery and equipment;
- dependency on technology and automation;
- dependence on third parties for the supply of raw materials and delivery of products and such providers could fail to meet their obligations;
- fluctuations in the prices of raw materials;
- fluctuations in foreign exchange rates;
- changes in the legal, regulatory, economic and political environment in India;
- general economic and business conditions in India and other countries;
- change in environmental regulations in India and/or globally.

## **Components of our Revenue and Expenses**

The following table sets forth certain information with respect to our revenues, expenses and profits, also expressed as a percentage of our total revenue, for the six months ended September 30, 2017 and Fiscal 2017, 2016 and 2015 as derived from our restated Financial Statements:



(Rs. in Lakhs)

Particulars	For the Period Ended		For The Year Ended March 31					
	September 30, 2017		2017		2016		2015	
	Amount	% of Total revenue	Amount	% of Total revenue	Amount	% of Total revenue	Amount	% of Total revenue
<b>INCOME</b>								
Revenue from operation (Gross)	5,468.61	99.60%	9,506.04	98.81%	9,503.14	99.49%	6,484.37	99.68%
Other income	22.09	0.40%	114.37	1.19%	48.49	0.51%	20.71	0.32%
<b>Total Revenue</b>	<b>5,490.70</b>	<b>100.00%</b>	<b>9,620.41</b>	<b>100.00%</b>	<b>9,551.63</b>	<b>100.00%</b>	<b>6,505.08</b>	<b>100.00%</b>
<b>EXPENSES</b>								
Cost of materials consumed	3,009.19	54.81%	5,133.19	53.36%	5,018.86	52.54%	3,666.49	56.36%
Purchases of stock - in – trade	33.52	0.61%	50.36	0.52%	98.69	1.03%	188.00	2.89%
Changes in inventories of finished goods, Work-in-progress and stock in trade	1.63	0.03%	(330.95)	-3.44%	3.67	0.04%	22.15	0.34%
Employee benefits expense	420.81	7.66%	740.71	7.70%	700.00	7.33%	505.91	7.78%
Finance costs	114.98	2.09%	291.50	3.03%	396.78	4.15%	390.43	6.00%
Depreciation and Amortization	270.41	4.92%	486.14	5.05%	416.10	4.36%	379.44	5.83%
Other expenses	953.15	17.36%	1,893.80	19.69%	1,713.27	17.94%	1,242.94	19.11%
<b>Total Expenses</b>	<b>4,803.69</b>	<b>87.49%</b>	<b>8,264.75</b>	<b>85.91%</b>	<b>8,347.37</b>	<b>87.39%</b>	<b>6,395.36</b>	<b>98.31%</b>
Restated Profit / (Loss) before exceptional items and tax	687.01	12.51%	1,355.66	14.09%	1,204.26	12.61%	109.72	1.69%
Exceptional Statement	-	0.00%	-	0.00%	-	0.00%	-	0.00%
<b>Restated Profit / (Loss) before tax</b>	<b>687.01</b>	<b>12.51%</b>	<b>1,355.66</b>	<b>14.09%</b>	<b>1,204.26</b>	<b>12.61%</b>	<b>109.72</b>	<b>1.69%</b>
<b>Less : Tax expenses</b>								
- Current tax	146.69	2.67%	289.36	3.01%	257.05	2.69%	22.24	0.34%
- MAT Credit Utilised	75.60	1.38%	82.17	0.85%	-	0.00%	-	0.00%
- MAT credit entitlement	-	0.00%	-	0.00%	(152.97)	-1.60%	(22.24)	-0.34%

- Deferred tax liability / (asset)	(9.04)	-0.16%	106.23	1.10%	305.94	3.20%	37.34	0.57%
	<b>213.25</b>	<b>3.88%</b>	<b>477.76</b>	<b>4.97%</b>	<b>410.02</b>	<b>4.29%</b>	<b>37.34</b>	<b>0.57%</b>
<b>Restated Profit / (loss) for the year</b>	<b>473.76</b>	<b>8.63%</b>	<b>877.90</b>	<b>9.13%</b>	<b>794.24</b>	<b>8.32%</b>	<b>72.38</b>	<b>1.11%</b>

## Principal components of statements of profit and loss

### Revenue

Revenue – Total revenue consists of revenue from operations and other income.

Revenue from Operations – Revenue from operations comprises revenues from the sale of products, traded products and Other Operating Revenue.

Revenue from sale of products primarily includes revenue from sale of rigid plastic sheets and thermoformed packaging products. Revenue from traded products primarily comprises of revenues from the sale of thermoformed packaging products. Other Operating Revenue includes sale of scrap and job work.

Our revenues from the sales of manufactured goods, traded products and other operating revenue were as follows:

(in Rs. Lakhs)

Particulars	For the Period Ended		For The Year Ended March 31					
	September 30, 2017		2017		2016		2015	
	Amount	% of Total revenue	Amount	% of Total revenue	Amount	% of Total revenue	Amount	% of Total revenue
<b>INCOME</b>								
Revenue from operation (Gross)	5,468.61	99.60%	9,506.04	98.81%	9,503.14	99.49%	6,484.37	99.68%
Other income	22.09	0.40%	114.37	1.19%	48.49	0.51%	20.71	0.32%
<b>Total Revenue</b>	<b>5,490.70</b>	<b>100.00%</b>	<b>9,620.41</b>	<b>100.00%</b>	<b>9,551.63</b>	<b>100.00%</b>	<b>6,505.08</b>	<b>100.00%</b>

Other Income – Other income primarily includes interest income, dividend income, net loss or gain on foreign currency transactions, profit on sale of investment, duty drawback, interest on income tax refund and sundry balances written off.

### Expenses

(in Rs. Lakhs)

Particulars	For the Period Ended		For The Year Ended March 31					
	September 30, 2017		2017		2016		2015	
	Amount	% of Total revenue	Amount	% of Total revenue	Amount	% of Total revenue	Amount	% of Total revenue
<b>EXPENSES</b>								
Cost of materials consumed	3,009.19	54.81%	5,133.19	53.36%	5,018.86	52.54%	3,666.49	56.36%
Purchases of stock - in - trade	33.52	0.61%	50.36	0.52%	98.69	1.03%	188.00	2.89%

Particulars	For the Period Ended		For The Year Ended March 31					
	September 30, 2017		2017		2016		2015	
	Amount	% of Total revenue	Amount	% of Total revenue	Amount	% of Total revenue	Amount	% of Total revenue
Changes in inventories of finished goods, Work-in-progress and stock in trade	1.63	0.03%	(330.95)	-3.44%	3.67	0.04%	22.15	0.34%
Employee benefits expense	420.81	7.66%	740.71	7.70%	700.00	7.33%	505.91	7.78%
Finance costs	114.98	2.09%	291.50	3.03%	396.78	4.15%	390.43	6.00%
Depreciation and Amortization	270.41	4.92%	486.14	5.05%	416.10	4.36%	379.44	5.83%
Other expenses	953.15	17.36%	1,893.80	19.69%	1,713.27	17.94%	1,242.94	19.11%
<b>Total Expenses</b>	<b>4,803.69</b>	<b>87.49%</b>	<b>8,264.75</b>	<b>85.91%</b>	<b>8,347.37</b>	<b>87.39%</b>	<b>6,395.36</b>	<b>98.31%</b>

Our total expenses consists of cost of materials consumed, purchase of stock in trade, changes in inventories of finished goods, work-in-progress and stock in trade, employee benefit expenses, finance cost, depreciation and amortization expenses and other expenses.

Cost of materials consumed – Cost of materials consumed comprises cost incurred towards the purchase of raw materials used for manufacturing of our products. The primary raw materials which are used for manufacturing of our products include High Impact Polystyrene (HIPS), Polyethylene Terephthalate (PET) and Polypropylene (PP).

Purchase of stock in trade – Purchase of stock in trade primarily comprises of expenses towards purchase of thermoformed packaging products.

Changes in inventories of finished goods, work-in-progress and stock in trade -we include net difference of our closing and opening stocks of finished goods, work in progress, unusable wastage (scrap) and excise duty on increase/ decrease of finished goods as an expense.

Employee benefit expense – Employee benefit expense primarily includes expenses towards salaries and wages, director remuneration, contributions to provident and other funds, gratuity and staff welfare expenses.

Finance Cost – Finance cost primarily consists of interest on short-term and long-term loans from banks, and/or Non banking Finance Companies and other financing expenses.

Depreciation and amortization expenses – Depreciation and amortization expenses primarily consist of depreciation of tangible and intangible fixed assets.

Other expenses – Other expenses primarily include costs incurred towards other manufacturing expenses, power and fuel, repair and maintenance, packaging material consumed, printing ink consumed, transport outward, insurance, rent, selling expenses, commission expenses, provision for excise duty on finished goods, provision for doubtful debts, loss on account of foreign exchange fluctuations, loss on sale of fixed assets, loss on sale of investments, expense on CSR activities and other administrative expenses.

## Tax Expenses

(in Rs. Lakhs)

Particulars	For the Period Ended		For The Year Ended March 31					
	September 30, 2017		2017		2016		2015	
	Amount	% of Total revenue	Amount	% of Total revenue	Amount	% of Total revenue	Amount	% of Total revenue
<b>Tax expenses</b>								
- Current tax	146.69	2.67%	289.36	3.01%	257.05	2.69%	22.24	0.34%
- MAT Credit utilised	75.60	1.38%	82.17	0.85%	-	0.00%	-	0.00%
- MAT credit entitlement	-	0.00%	-	0.00%	(152.97)	-1.60%	(22.24)	-0.34%
- Deferred tax liability / (asset)	(9.04)	-0.16%	106.23	1.10%	305.94	3.20%	37.34	0.57%
	<b>213.25</b>	<b>3.88%</b>	<b>477.76</b>	<b>4.97%</b>	<b>410.02</b>	<b>4.29%</b>	<b>37.34</b>	<b>0.57%</b>

**Current tax expense** – Our current income tax expenses are calculated in accordance with tax regulations relevant to our business.

**MAT credit entitlement**– Minimum Alternate Tax (“MAT”) under the provisions of the Income-tax Act, 1961 is recognized as current tax in the statement of profit and loss. The credit available under the Income Tax Act in respect of MAT paid is recognized as an asset only when and to the extent there is convincing evidence that we will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognized as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

**Deferred tax expense/ (benefit)** - Our deferred tax expense and benefit reflects the tax effects of timing differences between accounting and taxable income for the period.

#### Profit/ (loss) for the period as restated

(in Rs. Lakhs)

Particulars	For the Period Ended		For The Year Ended March 31					
	September 30, 2017		2017		2016		2015	
	Amount	% of Total revenue	Amount	% of Total revenue	Amount	% of Total revenue	Amount	% of Total revenue
<b>Restated Profit / (loss) for the year</b>	473.76	8.63%	877.90	9.13%	794.24	8.32%	72.38	1.11%

Profit/ (loss) for the period, as restated represent summation of profit/ (loss) after tax (from audited accounts).

#### Our Results of Operations

##### Six months ended September 30, 2017

Our total revenue for the six (6) months ended September 30, 2017 was Rs. 5,490.70 Lakhs, of which revenue from operations was Rs. 5,468.61 Lakhs and other income of Rs. 22.09 Lakhs.

#### Revenue from Operations

Our revenue from operations, primarily comprises of sale of manufactured product of Rs. 5,391.03 Lakhs, revenue from traded products of Rs. 41.46 Lakhs and Revenue from scrap sale of Rs. 36.12 Lakhs. Revenue from operations represents 99.60% of our total revenue.

### **Other Income**

Our other income for the six (6) months ended September 30, 2017 was 22.09 Lakhs which comprises of Rs. 9.20 Lakhs of interest income, Rs. 2.63 Lakhs of profit on sale of investment, Rs. 9.50 Lakhs of miscellaneous income and Rs. 0.76 Lakhs of duty drawback. Other income represents 0.40% of our total revenue.

### **Expenses**

#### ***Cost of material consumed***

Our cost of material consumed was Rs. 3,009.19 Lakhs for the half year ended September 30, 2017, majorly comprising of purchase of raw materials, i.e. HIPS, PET and PP. Cost of material consumed represents 54.81% of our total revenues.

Note: The cost of materials consumed includes cost incurred for production of finished goods which have been sold as well as finished goods or work in progress lying in inventory.

#### ***Purchase of stock-in-trade***

The purchase of stock in trade amounted to Rs. 33.52 Lakhs for the half year ended September 30, 2017, which entirely comprises of purchase of Thermoformed Packaging Products. Purchase of stock in trade represents 0.61% of our total revenues.

#### ***Changes in inventories of finished goods, work-in-progress and stock-in-trade***

The changes in inventories of finished goods, work-in-progress and stock-in-trade was Rs. 1.63 Lakhs for the half year ended September 30, 2017, primarily on account of increase in inventory of work-in-progress and unusable wastage (scrap).

#### ***Employee benefits expenses***

Our employee benefit expenses amounted to Rs. 420.81 Lakhs for the half year ended September 30, 2017, which primarily included salary and wages of Rs. 324.36 Lakhs, staff welfare expenses of Rs. 5.75 Lakhs, contribution to provident fund of Rs. 20.17 Lakhs, gratuity expense of Rs. 9.33 Lakhs and Directors remuneration of Rs. 61.20 Lakhs. Further, the employee benefit expenses as a percentage of total revenue was 7.66% for the half year ended September 30, 2017.

#### ***Finance costs***

Our finance costs was Rs. 114.98 Lakhs for the six (6) months ended September 30, 2017 primarily includes interest on working capital and interest on term loans. Finance cost as a percentage of total revenues was 2.09% for the half year ended September 30, 2017.

#### ***Depreciation and Amortisation***

The depreciation and amortisation expenses were Rs. 270.41 Lakhs for the half year ended September 30, 2017. The depreciation and amortisation expenses represent 4.92% of our total revenues.

#### ***Other expenses***

Our other expenses was Rs. 953.15 Lakhs for the six (6) months ended September 30, 2017 which mainly comprised of power and fuel expenses, other manufacturing expenses, repairs and maintenance, packing material consumed, printing ink consumed, transport outward amongst others. Our other expenses were 17.36% of our total revenues for the half year ended September 30, 2017.

Note: The other expenses incurred are towards finished goods sold as well as finished goods or work in progress lying in inventory.

#### ***Tax expense***

Our tax expense was Rs. 213.25 Lakhs for the half year ended September 30, 2017.

#### ***Profit/ (loss) for the period, as restated***

Our profits after tax as restated for the six (6) months ended September 30, 2017 was Rs. 473.76 Lakhs which was 8.63% of our total revenues for the half year ended September 30, 2017.

### **Fiscal 2017 compared to Fiscal 2016**

#### ***Total Revenues***

Our total revenue has increased marginally by 0.72% from Rs. 9,551.63 Lakhs for the Fiscal 2016 to Rs. 9,620.41 Lakhs for the Fiscal 2017. This was primarily on account of increase in other income.

#### ***Revenue from Operations***

Our revenue from operations have increased marginally by 0.03% from Rs. 9,503.14 Lakhs for the Fiscal Year 2016 Rs. 9,506.04 Lakhs for the Fiscal 2017. This was primarily on account of increase in revenue from scrap sale.

#### ***Other Income***

Our other income has increased by 135.86% from Rs. 48.49 Lakhs for the Fiscal 2016 to Rs. 114.37 Lakhs for the Fiscal 2017, primarily on account of gain on foreign currency transactions and higher interest income.

#### ***Total Expenditure***

Our total expenses have marginally decreased by 0.99% from Rs. 8,347.37 Lakhs for the Fiscal 2016 to Rs. 8,264.75 Lakhs for the Fiscal 2017. This was mainly due to decrease in finance cost and decrease in purchase of stock-in-trade.

#### ***Cost of material consumed***

Our cost of material consumed has marginally increased by 2.28% from Rs. 5,018.86 Lakhs for the Fiscal 2016 to Rs. 5,133.19 Lakhs for the Fiscal 2017, primarily on account of higher purchase of raw material for production. Further, the cost of material consumed as a percentage of total revenue has marginally increased from 52.54% in Fiscal 2016 to 53.36% in Fiscal 2017.

Note: The cost of materials consumed includes cost incurred for production of finished goods which have been sold as well as finished goods or work in progress lying in inventory.

#### ***Purchase of stock-in-trade***

The purchase of traded goods has decreased by 48.97% from Rs. 98.69 Lakhs in Fiscal 2016 to Rs. 50.36 Lakhs in Fiscal 2017. The decrease in purchase of traded goods was mainly on account of reduction in trading activities during the year as compared to the earlier year.

#### ***Changes in inventories of finished goods, work-in-progress and stock-in-trade***

In Fiscal 2017, the changes in inventories of finished goods, work-in-progress and stock-in-trade stood at Rs. (330.95) Lakhs as compared to Rs. 3.67 Lakhs in Fiscal 2016. Our finished goods inventories have increased by Rs. 246.90 Lakhs in Fiscal 2017 primarily due to higher production in the fourth quarter of Fiscal 2017 based on customer orders for which the materials were dispatched subsequently in FY 2018. Further, our unusable wastage (scrap) inventories have decreased by Rs. 11.48 Lakhs in Fiscal 2017 primarily on account of lower inventory of scrap.

#### ***Employee benefits expenses***

Our employee benefit expenses have increased by 5.82% from Rs. 700.00 Lakhs for the Fiscal 2016 to Rs. 740.71 Lakhs for the Fiscal 2017, due to annual increments and increase in number of employees. Our number of employees increased to 356 employees as of March 31, 2017 from 287 employees as of March 31, 2016. Further, the employee benefit expenses as a percentage of total revenue has marginally increased from 7.33% in Fiscal 2016 to 7.70% in Fiscal 2017.

#### ***Finance cost***

Our finance cost has decreased by 26.53% from Rs. 396.78 Lakhs for the Fiscal 2016 to Rs. 291.50 Lakhs for the Fiscal 2017, mainly due to reduction in interest rate on borrowings. Further, the finance cost as a percentage of total revenue has decreased from 4.15% in Fiscal 2016 to 3.03% in Fiscal 2017.

#### ***Depreciation and Amortisation Expenses***

The depreciation and amortisation expenses have increased by 16.83% from Rs. 416.10 Lakhs for the Fiscal 2016 to Rs. 486.14 Lakhs for the Fiscal 2017, mainly due to additions in fixed assets during Fiscal 2017 on account of capacity expansion.

#### ***Other expenses***

Our other expenses increased by 10.54% from Rs. 1,713.27 Lakhs in Fiscal 2016 to Rs. 1,893.80 Lakhs in Fiscal 2017, primarily due to increase in manufacturing of products, which led to increase in expenses like higher rent, transport outward and miscellaneous expenses. Further, our other expenses as a percentage of total revenues have increased from 17.94% in Fiscal 2016 to 19.69% in Fiscal 2017.

Note: The other expenses incurred are towards finished goods sold as well as finished goods or work in progress lying in inventory.

***Profit before tax, as restated***

Our profit before exceptional items and tax, as restated increased by 12.57% from Rs. 1,204.26 Lakhs in Fiscal 2016 to Rs. 1,355.66 Lakhs in Fiscal 2017 for the reasons described above. As a percentage of total revenue, our profit before exceptional items and tax, as restated has increased from 12.61% in Fiscal 2016 to 14.09% in Fiscal 2017.

***Tax expense***

Our tax expense have increased by 16.52% from Rs. 410.02 Lakhs in Fiscal 2016 to Rs. 477.76 Lakhs in Fiscal 2017 primarily on account of increased income tax due to higher profits for the Fiscal year 2017 as compared to that of Fiscal 2016.

***Profit/ (loss) for the period, as restated***

Our profits, as restated have increased by 10.53% from Rs. 794.24 Lakhs in Fiscal 2016 to Rs. 877.90 Lakhs in Fiscal 2017 and profit for the period as a percentage of total revenue has increased from 8.32% in Fiscal 2016 to 9.13% in Fiscal 2017. This is primarily on account of increased gain on foreign currency transactions (by Rs. 50.26 Lakhs), higher interest income (by Rs. 9.05 Lakhs), a higher closing stock of finished goods (by Rs. 246.90 Lakhs) on account of increased production in the fourth quarter of FY 2017, decrease in finance costs (by Rs. 105.28 Lakhs) and decrease in purchase of stock-in-trade (by Rs. 48.33 Lakhs) on account of reduced trading activities as mentioned above.

***Fiscal 2016 compared to Fiscal 2015***

***Total Revenues***

Our total revenues have increased by 46.83% from Rs. 6,505.08 Lakhs for the Fiscal 2015 to Rs. 9,551.63 Lakhs for the Fiscal 2016. This was primarily on account of increase in sales of manufactured products aided by capacity expansion undertaken by the Company.

***Revenue from Operations***

Our revenue from operations has increased by 46.55% from Rs. 6,484.37 Lakhs for the Fiscal Year 2015 to Rs. 9,503.14 Lakhs for the Fiscal 2016. This was primarily on account of increase in sales of manufactured products aided by capacity expansion undertaken by the Company.

***Other Income***

Our other income has increased by 134.14% from Rs. 20.71 Lakhs for the Fiscal Year 2015 to Rs. 48.49 Lakhs for the Fiscal Year 2016, primarily on account of higher interest income and gain on foreign currency transactions.

***Total Expenditure***



Our total expenses have increased by 30.52% from Rs. 6,395.36 Lakhs for the Fiscal Year 2015 to Rs. 8,347.37 Lakhs for the Fiscal Year 2016. This was mainly due to substantial increase in manufacturing activities of the Company.

#### ***Cost of material consumed***

Our cost of material consumed has increased by 36.88% from Rs. 3,666.49 Lakhs for the Fiscal Year 2015 to Rs. 5,018.86 Lakhs for the Fiscal Year 2016, primarily in line with general growth in operations reflected in increase in revenue from products manufactured. The increase in raw material purchases primarily included increased purchase of HIPS, PET and PP. However, the cost of material consumed as a percentage of total revenue has decreased from 56.36% in Fiscal 2015 to 52.54% in Fiscal 2016.

Note: The cost of materials consumed includes cost incurred for production of finished goods which have been sold as well as finished goods or work in progress lying in inventory.

#### ***Purchase of stock-in-trade***

The purchase of stock-in-trade has decreased by 47.51% from Rs. 188.00 Lakhs in Fiscal 2015 to Rs. 98.69 Lakhs in Fiscal 2016. The decrease in purchase of stock-in-trade was mainly on account of reduced trading activities.

#### ***Changes in inventories of finished goods, work-in-progress and stock-in-trade***

In Fiscal 2016, the changes in inventories of finished goods, work-in-progress and stock-in-trade stood at Rs. 3.67 Lakhs as compared to Rs. 22.15 Lakhs in Fiscal 2015. Our finished goods inventories have decreased by Rs. 6.43 Lakhs in Fiscal 2016 primarily due to increased customer dispatches during fourth quarter of Fiscal 2016. Further, our stock of unusable wastages has increased by Rs. 16.87 Lakhs in Fiscal 2016 primarily on account of increased manufacturing activities during Fiscal 2016.

#### ***Employee benefits expense***

Our employee benefit expense has increased by 38.36% from Rs. 505.91 Lakhs for the Fiscal 2015 to Rs. 700.00 Lakhs for the Fiscal 2016, primarily due to increase in business activities leading to increase in employment. Our number of employees increased to 287 employees as of March 31, 2016 from 158 employees as of March 31, 2015. However, the employee benefit expense as a percentage of total revenue has marginally decreased from 7.78% in Fiscal 2015 to 7.33% in Fiscal 2016.

#### ***Finance cost***

Our finance cost has marginally increased by 1.63% from Rs. 390.43 Lakhs for the Fiscal 2015 to Rs. 396.78 Lakhs for the Fiscal 2016, mainly due to higher interest amount on borrowings. However, the finance cost as a percentage of total revenue has decreased from 6.00% in Fiscal 2015 to 4.15% in Fiscal 2016.

#### ***Depreciation and Amortisation Expenses***

The depreciation and amortisation expenses have increased by 9.66% from Rs. 379.44 Lakhs for the Fiscal 2015 to Rs. 416.10 Lakhs for the Fiscal 2016, mainly due to investment in fixed assets towards capacity enhancement.

#### ***Other expenses***

Our other expenses increased by 37.84% from Rs. 1,242.94 Lakhs in Fiscal 2015 to Rs. 1,713.27 Lakhs in Fiscal 2016, primarily due to substantial increase in overall business activities. Our other expenses as a percentage of total revenue have decreased from 19.11% in Fiscal 2015 to 17.94% in Fiscal 2016.

Note: The other expenses incurred are towards finished goods sold as well as finished goods or work in progress lying in inventory.

### ***Profit before tax, as restated***

Our profit before exceptional items and tax, as restated increased by 997.58% from Rs. 109.72 Lakhs in Fiscal 2015 to Rs. 1,204.26 Lakhs in Fiscal 2016 for the reasons described above. As a percentage of total revenue, our profit before exceptional items and tax, as restated has increased from 1.69% in Fiscal 2015 to 12.61% in Fiscal 2016.

### ***Tax expense***

Our tax expense has increased by 998.07% from Rs. 37.34 Lakhs in Fiscal 2015 to Rs. 410.02 Lakhs in Fiscal 2016 primarily on account of substantial increase in profits and higher amount of deferred tax.

### ***Profit/(loss) for the period, as restated***

Our profits have increased substantially by 997.32% from Rs. 72.38 Lakhs in Fiscal 2015 to Rs. 794.24 Lakhs in Fiscal 2016 and, profit for the period as a percentage of total revenue has increased from 1.11% in Fiscal 2015 to 8.32% in Fiscal 2016. This is primarily on account of increase in revenue from operations due to capacity expansion (by Rs. 3,328.37 Lakhs), increase in interest income (by Rs. 5.92) Lakhs and higher gain on foreign currency transactions (by Rs. 25.01 Lakhs) and decrease in purchase of stock-in-trade (by Rs. 89.31 Lakhs) on account of reduced trading activities, as mentioned above.

## **Liquidity and Capital Resources**

As of September 30, 2017, we had cash and bank balances of Rs. 206.97 Lakhs. Cash and bank balances consist of cash on hand and bank balances. Our primary liquidity needs have been to finance our operations, working capital needs and capital expenditures. We have historically met our liquidity needs primarily through a combination of borrowings and internally generated cash flows.

Further, we expect to meet our working capital requirements primarily from the cash flows from our business operations and working capital borrowings from banks as may be required.

Our short-term liquidity requirements relate to servicing our debt and for funding working capital requirements. Sources of short-term liquidity include cash balances, receipts from our operations and short term borrowings.

Our long-term liquidity requirements include partial funding of our investments in new projects and for the purposes of expansion of existing facilities. Sources of funding our long-term liquidity requirements include new loans, equity issues, (as being proposed in this Issue), other than internal accruals available.

### ***Cash flows***

Set forth below is a table of selected information from our Company's restated cash flow statements for the periods indicated.

(Rs. in Lakhs)

Particulars	Fiscal 2017	Fiscal 2016	Fiscal 2015
Net cash from/ (used in) operating activities	1,353.31	1,731.97	530.14
Net cash from/ (used in) investing activities	(1,332.70)	(719.53)	(371.93)
Net cash from/ (used in) financing activities	(783.77)	(519.01)	131.21
Net increase/ (decrease) in cash and cash equivalents	(763.16)	493.43	289.42
Opening cash and cash equivalents	817.93	324.50	35.08
Closing cash and cash equivalents	54.77	817.93	324.50

#### **Net cash from/(used in) operating activities**

Net cash from operating activities in Fiscal 2017 was Rs. 1,353.31 Lakhs and our operating profit before working capital adjustment for that period was Rs. 2,034.34 Lakhs. The difference was primarily attributable to increase in inventories by Rs. 565.72 Lakhs, increase in short term loans and advances by Rs. 52.57 Lakhs and direct taxes amounting to Rs. 269.73 Lakhs which were adjusted against decrease of trade receivables amounting to Rs. 134.67 Lakhs.

Net cash from operating activities in Fiscal 2016 was Rs. 1,731.97 Lakhs and our operating profit before working capital changes for that period was Rs. 1,977.63 Lakhs. The difference was primarily attributable to increase in trade receivables by Rs. 469.37 Lakhs, increase in long term loans and advances by Rs. 28.93 Lakhs and direct taxes amounting to Rs. 174.70 Lakhs which were adjusted against decrease in inventories amounting to Rs. 72.15 Lakhs, decrease in short term loans and advances amounting to Rs. 163.22 Lakhs, increase in trade payable amounting to Rs. 127.96 Lakhs.

Net cash from operating activities in Fiscal 2015 was Rs. 530.14 Lakhs and our operating profit before working capital changes for that period was Rs. 873.24 Lakhs. The difference was primarily attributable to increase in trade receivables by Rs. 369.59 Lakhs and increase in inventories amounting to Rs. 193.19 Lakhs, which were adjusted against increase in trade payables amounting to Rs. 165.03 Lakhs.

#### **Net cash from / (used in) investing activities**

In Fiscal 2017, our net cash used in investing activities was Rs. 1,332.70 Lakhs. This primarily consists of payments towards purchase of fixed assets amounting to Rs. 1,350.02 Lakhs and investments in Fixed Deposits amounting to Rs. 227.64 Lakhs. These outflows were adjusted against capital advances amounting to Rs. 210.30 Lakhs, interest income amounting to Rs. 23.66 Lakhs and increase in creditors for capital goods amounting to Rs. 14.61 Lakhs.

In Fiscal 2016, our net cash used in investing activities was Rs. 719.53 Lakhs. This primarily consists of payments towards purchase of fixed assets amounting to Rs. 477.10 Lakhs, capital advances paid amounting to Rs. 143.73 Lakhs, decrease in creditors for capital goods amounting to Rs. 80.80 Lakhs and increase in capital work in progress amounting to Rs. 38.11 Lakhs, which were adjusted against interest income amounting to Rs. 14.61 Lakhs and withdrawal of fixed deposits amounting to Rs. 8.00 Lakhs.

In Fiscal 2015, our net cash used in investing activities was Rs. 371.93 Lakhs. This primarily consists of payments towards purchase of fixed assets amounting to Rs. 660.72 Lakhs, decrease in creditors for capital goods amounting to Rs. 71.39 Lakhs, investment in fixed deposits amounting to Rs. 106.13 Lakhs and payment towards Intangible Assets under development amounting to Rs. 6.49 Lakhs which were adjusted against decrease in capital work in progress amounting to Rs. 419.93 Lakhs, sale of investment amounting to Rs. 24.18 Lakhs and interest income amounting to Rs. 8.69 Lakhs.

### Net cash from/ (used in) financing activities

In Fiscal 2017, our net cash used in financing activities was Rs. 783.77 Lakhs. This primarily reflected the net repayments of borrowing from banks and financial institutions amounting to Rs. 460.26 Lakhs, dividends paid (including tax thereon) amounting to Rs. 32.00 Lakhs and interest paid amounting to Rs. 291.51 Lakhs.

In Fiscal 2016, our net cash used in financing activities was Rs. 519.01 Lakhs. This primarily reflected the net repayments of borrowings of Rs. 92.89 Lakhs, interest paid of Rs. 396.79 Lakhs and dividend paid (including tax thereon) of Rs. 119.33 Lakhs. Further, our company has received Rs. 90.00 Lakhs from issue of shares (including securities premium).

In Fiscal 2015, our net cash generated from financing activities was Rs. 131.21 Lakhs. This primarily reflected the net proceeds from borrowings from banks and financial institutions of Rs. 521.64 Lakhs which was adjusted against interest paid of Rs. 390.43 Lakhs.

### Financial indebtedness

The following table sets forth our Company's secured and unsecured debt position as at March 10, 2018.

*(Rs. in Lakhs)*

Particulars	March 10, 2018
<i>Secured loans</i>	
<i>Fund based</i>	
Term loans from bank (includes installments payable within one year)	1,922.80
Cash credit; Overdraft from bank	4.35
<b>Sub-Total (A)</b>	<b>1927.15</b>
<i>Non – Fund Based</i>	
Bank Guarantee	40.00
<b>Sub-Total (B)</b>	<b>40.00</b>
Vehicle loans	61.73
<b>Sub-Total (C)</b>	<b>61.73</b>
<b>Total (A+B+C)</b>	<b>2,028.88</b>

For details of our financial indebtedness, please refer to the chapter titled “*Financial Indebtedness*” beginning on page 271 of this Draft Red Herring Prospectus.

### Contingent Liabilities not provided for and commitments as on September 30, 2017

*(Rs. in Lakhs)*

A.	Particulars	Amount
	Unexpired guarantees issued on behalf of our Company by Banks	83.80
	Custom Duty against Export Obligation ('EPCG')	55.35
	Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances)	87.58
	Custom Duty against Export Obligation (advance license)	89.45
	Letter of credit issued to creditor	41.50
	Claims against the company not acknowledged as debts (statutory dues)	

<b>A.</b>	<b>Particulars</b>	<b>Amount</b>
	<ul style="list-style-type: none"> <li>Income Tax (demand of AY 2012 - 13) (erstwhile Rajshree Industries)</li> </ul>	2.10
	<ul style="list-style-type: none"> <li>Income Tax (demand of AY 2012 - 13)</li> </ul>	1.35
	<ul style="list-style-type: none"> <li>Income Tax (demand of AY 2014 - 15)</li> </ul>	0.75
	<ul style="list-style-type: none"> <li>Sales Tax Payable (amount unascertained on account of non collection of C form and H form) from customers</li> </ul>	Amount unascertainable

For further details, please refer to the section titled “*Financial Statements*” beginning on page 188 of this Draft Red Herring Prospectus.

### **Off Balance Sheet Arrangements**

We do not have any off-balance sheet arrangements or derivative instruments, which can reasonably have a current or future material effect on our results of operations or financials condition.

### **Quantitative and Qualitative Disclosures about Market Risk**

Market risk is the risk of loss related to adverse changes in market prices, including interest rate and foreign exchange fluctuation risk. We are exposed to various types of market risks in the normal course of business like interest rate risk, foreign exchange fluctuation risk, inflation risk and commodity price risk amongst others.

#### ***Interest Rate Risk***

Our exposure to interest rate risks primarily relates to our debt. Fluctuations in interest rates could negatively affect the amount of interest payable by us under our debt obligations and could make it more difficult for us to procure new debt on attractive terms.

#### ***Foreign exchange risk***

Changes in currency exchange rates influence our results of operations. We import some of our machineries and raw materials and also export our products which are denominated in foreign currencies, primarily in USD and Euro. Because of our foreign currency exposures, exchange rate fluctuations between the Indian Rupee and foreign currencies, especially the USD and Euro, can have a material impact on our results of operations, cash flows and financial condition. The exchange rate between the Indian Rupee and USD/ Euro has been volatile in recent periods. We have certain foreign currency loans which have been hedged partially, but this may not give complete protection from the foreign currency exposure on interest or repayment of such loans.

#### ***Impact of Inflation***

In recent years, India has experienced relatively high rates of inflation. While we believe inflation has not had any material impact on our business and results of operations, inflation generally impacts the overall economy and business environment and hence could affect us.

#### ***Commodity Price Risk***

We are exposed to the risk that prices for our primary raw materials used for the manufacture of plastic rigid sheets and thermoformed products have always been volatile. The cost of raw material consumed represented 53.36% and 52.54% of our total revenues in Fiscal 2017 and Fiscal 2016, respectively. These materials are

global commodities and their prices are cyclical in nature and fluctuate in accordance with global market conditions. Further, the prices of our commodities are also depending on the demand.

#### ***Significant Developments after September 30, 2017***

To the best of our knowledge, except as mentioned below and as disclosed in this Draft Red Herring Prospectus, there are no subsequent developments in our business after the date of our financial statements contained in this Draft Red Herring 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:

In the month of January 2018, our Company has installed one sleeving machine, which has led to increase in the sleeving capacity from six million units per month to nine million units per month. We believe this will help in improving our turnover and profitability.

#### ***Unusual or infrequent events or transactions.***

To the best of our knowledge, except as disclosed in this Draft Red Herring Prospectus, there have been no transactions or events which, in our judgment, would be considered unusual or infrequent.

#### ***Significant economic and regulatory changes***

Except as described in section titled “*Risk Factors*” and chapter titled “*Key Industry Regulations and Policies*” beginning on pages 20 and 149, respectively of this Draft Red Herring Prospectus, to the best of our knowledge, there have been no significant economic or regulatory changes that we expect could have a material adverse effect on our results of operations.

#### ***Known trends or uncertainties;***

Other than as described in the section “*Risk Factors*” and this chapter titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 20 and 253, respectively of this Draft Red Herring Prospectus, to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on our revenues or income from continuing operations.

#### ***Future relationship between cost and revenue***

Other than as described in the section “*Risk Factors*” and this chapter titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 20 and 253, respectively of this Draft Red Herring Prospectus, there are no known factors that might affect the future relationship between cost and revenue.

#### ***Total turnover of each major industry segment***

The Company is mainly engaged in the business of manufacturing rigid plastic sheets and thermoformed rigid plastic packaging products. All other activities of the Company revolve around the main business and as such, there are no separate reportable segments.

#### ***New Product or Business Segment***

Other than as described in the chapter titled “*Business Overview*” beginning on page 126 of this Draft Red Herring Prospectus, to our knowledge, there are no new products or business segments.

### ***Seasonality***

By virtue of supplying to multiple segments of FMCG industry, we believe that we are relatively insulated against seasonality, as each segment that we cater to, is active at different points throughout the year. However, there can be no assurances that the same trend may continue.

### ***Dependence on few Customers and Suppliers***

We are substantially dependent on a few customers and suppliers who form a part of the top 5 customers and suppliers. Their contribution to the total revenue/ total raw materials in case of customers/ suppliers respectively is given below:

#### **Customers**

<b>Year</b>	<b>% of Total Revenue</b>
For the period ended September 30, 2017	47.96
Fiscal 2017	47.23
Fiscal 2016	50.65
Fiscal 2015	40.97

*Note:*

1. All figures are excluding taxes;
2. Total sales is considered as the total revenue for the respective year/ period.

#### **Suppliers**

<b>Year</b>	<b>% of Total Raw materials</b>
For the period ended September 30, 2017	73.91
Fiscal 2017	69.24
Fiscal 2016	81.17
Fiscal 2015	62.24

*Note:*

1. Amount of raw materials purchased includes duty and taxes and other expenses.
2. % of raw materials consider total amount of raw materials including taxes and other expenses.

### ***Competitive Conditions***

For further details, please refer to the discussions of our competition in the section titled “*Risk Factors*” and chapter titled “*Business Overview*” beginning on pages 20 and 126 respectively of this Draft Red Herring Prospectus.

### ***Certain Emphasis of Matters/Qualifications Noted by Auditors***

Statutory auditors of our Company have not specified any qualifications/ observations/matters of emphasis in their respective audit reports of our Company. Please refer to the section titled “*Financial Statements*” beginning on page 188 of this Draft Red Herring Prospectus for further details.

## FINANCIAL INDEBTEDNESS

Our Company has availed certain loans in the ordinary course of business for the purposes including, but not limited to meeting its working capital requirements and financing its capital expenditure. Unless otherwise stated, the approvals and/or sanctions are valid as of the date of this Draft Red Herring Prospectus and in case the said approvals and/or sanctions have expired, we have either made an application for renewal or are in the process of making an application for renewal.

As on March 10, 2018 the aggregate outstanding borrowings (other than vehicle loans) of our Company are as follows:

Category of borrowing	Sanctioned amount (in Rs. Lakhs)	Outstanding amount (in Rs. Lakhs)
<b>HDFC BANK LIMITED</b>		
<b>Fund based -</b>		
<b>Term loans -</b>		
1) Term loan –A	200.00	146.29
2) Term loan –B	700.00	529.88
2a) Capex letter of credit (sub-limit of term loan)	(500.00)	--
2b) Buyer's credit (sub-limit of term loan)	(500.00)	--
<b>Working capital facilities -</b>		
3) Cash credit	500.00	--
3a) Working capital demand loan (sub-limit of cash credit)	(400.00)	--
3b) Letter of credit (sub-limit of cash credit)	(200.00)	--
3c) Pre-shipment (sub-limit of cash credit)	(200.00)	--
4) Invoice discounting	300.00	Unutilized
<b>Non fund based -</b>		
5) Bank guarantee	40.00	40.00
6) Letter of credit	200.00	--
7) Pre settlement risk	50.00	--
<b>TOTAL CREDIT FACILITIES FROM HDFC BANK LIMITED (A)</b>	<b>1,990.00</b>	<b>716.17</b>
<b>INDUSIND BANK LIMITED</b>		
8) <b>Term loan</b>	1,798.00	1,246.63
<b>Working capital facilities –</b>		
9) Cash credit	200.00	4.35
9a) Pre-shipment credit foreign currency/ post shipment credit (sub-limit of cash credit)	(200.00)	Unutilized
9b) Letter of credit (inland/ import)/ letter of undertaking/ buyer's credit (sub-limit of cash credit)	(200.00)	Unutilized
<b>TOTAL CREDIT FACILITIES FROM INDUSIND BANK LIMITED (B)</b>	<b>1,998.00</b>	<b>1250.98</b>
<b>TOTAL CREDIT FACILITIES (A+B)</b>	<b>3,988.00</b>	<b>1967.15</b>



**Principal terms of credit facilities sanctioned by HDFC Bank Limited:**

The details provided below are indicative and there may be additional terms, conditions and requirements under the various borrowing arrangements entered into by us.

**1) Term loan – A of Rs. 200.00 Lakhs**

<b>Facility</b>	Term loan
<b>Purpose</b>	Capital expenditure
<b>Date of agreement</b>	April 7, 2016
<b>Interest rate</b>	As per the sanction letter dated March 6, 2018, the interest rate is 9.00% p.a. (MCLR + 0.60%).
<b>Repayment schedule</b>	70 equated monthly installments (EMI) comprising of principal and interest. The repayment has commenced on May 7, 2016.

**2) Term loan – B of Rs. 700.00 Lakhs**

<b>Facility</b>	Term Loan
<b>Date of agreement</b>	April 7, 2016
<b>Purpose</b>	Capital expenditure
<b>Interest rate</b>	As per the sanction letter dated March 6, 2018, the interest rate is 9.00% p.a. (MCLR + 0.60%).
<b>Repayment schedule</b>	65 months including 6 months moratorium. The repayment has commenced on March 7, 2017.
<b>2a) Capex letter of credit (sub-limit of term loan)</b>	(Rs. 500.00 Lakhs) Commission rate – 1% p.a.
<b>2b) Buyer's credit (sub-limit of term loan)</b>	(Rs. 500.00 Lakhs) Commission rate – 1% p.a.

**3) Cash credit of Rs. 500.00 Lakhs**

<b>Facility</b>	Cash credit
<b>Purpose</b>	Working capital
<b>Interest rate</b>	As per the sanction letter dated March 6, 2018, the interest rate is 8.70% p.a. (MCLR + 0.60%).
<b>Margins</b>	25% on both stocks (< 180 days) and debtors (< 90 days)
<b>3a) Working capital demand loan (sub-limit of cash credit)</b>	(Rs. 400.00 Lakhs) Interest rate – 8.70% p.a. (MCLR + 0.60%) Margin - 25% on both stocks (< 180 days) and debtors (< 90 days)
<b>3b) Letter of credit (sub-limit of cash credit)</b>	(Rs. 200.00 Lakhs) Commission rate – 1% p.a. Margin – 15% in the form of FD
<b>3c) Pre- shipment (sub-limit of cash credit)</b>	(Rs. 200.00 Lakhs) Interest rate – 8.70% p.a. (MCLR + 0.60%) and LIBOR+150 basis points p.a. in FC Margin – 10%

**4) Invoice discounting of Rs. 300.00 Lakhs**

<b>Facility</b>	Invoice discounting
<b>Purpose</b>	Working capital
<b>Interest Rate</b>	8.70% p.a. (MCLR + 0.60%)
<b>Margin</b>	10%

**5) Bank Guarantee of Rs. 40.00 Lakhs**

<b>Facility</b>	Bank guarantee
<b>Purpose</b>	Working capital
<b>Commission rate</b>	1% p.a.
<b>Margin</b>	15% in the form of FD

**6) Letter of Credit of Rs. 200.00 Lakhs**

<b>Facility</b>	Letter of Credit
<b>Purpose</b>	Working capital
<b>Commission rate</b>	1% p.a.
<b>Margins</b>	15% in the form of FD

**7) Pre settlement risk of Rs. 50.00 Lakhs**

<b>Facility</b>	Pre settlement risk
<b>Purpose</b>	Hedging of export receivables and import payables
<b>Commission rate</b>	As per treasury
<b>Margins</b>	As per treasury

**Security in relation to credit facilities from HDFC Bank Limited**

<b>Security (primary)</b>	Pari passu charge on current assets and plant & machinery with IndusInd Bank Limited by way of hypothecation.
<b>Security - collateral</b>	Pari passu charge on immovable properties mentioned at items 1, 2 and 3 below are with IndusInd Bank Limited by way of equitable mortgage. 1. Factory land and building at plot no. 32 & 33, Silver Industrial Estate, Daman. 2. Factory land and building at plot no. 60/61, Dabel Industrial Estate, Daman (owned by M/s. Bobson Industries). 3. Plot no. 370/2(3), near PSL, Daman Vapi Road, village Kachigam, Daman. 4. FD of Rs. 100.00 Lakhs.
<b>Guarantors</b>	1. Ramswaroop Radheshyam Thard 2. Naresh Radheshyam Thard 3. Sajjankumar Nanikram Rungta 4. Guarantee of - M/s. Bobson Industries (partnership firm)

<b>Key covenants</b>	<ol style="list-style-type: none"> <li>1. Bank in its sole discretion would be entitled to modify and vary the said rate of interest from time to time. The Company shall not dispute the variation of the interest rate.</li> <li>2. Any default by the Company in payment of dues or in compliance with any terms and conditions of the term loan agreement will entail an additional interest of 2% per month payable from the date of default till the date of actual payment.</li> <li>3. Loan shall not be used for any investment in shares/debentures/mutual funds or any other capital market/ speculative activity.</li> <li>4. The Company, without the written consent of the bank shall not- <ol style="list-style-type: none"> <li>a. enter into any scheme of merger, amalgamation, compromise, reconstruction;</li> <li>b. permit any change in the ownership or control of the Company whereby the effective beneficial control will change;</li> <li>c. effect any material change in the management of the business of the Company;</li> <li>d. make any amendments in the MoA and AOA of the Company;</li> <li>e. create, assume or incur any further indebtedness of a long-term nature;</li> <li>f. declare any dividend if any installment towards principal or interest is unpaid on its due date;</li> <li>g. create further charges on the secured assets.</li> </ol> </li> </ol>
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#### Principal terms of credit facilities sanctioned by IndusInd Bank Limited:

The details provided below are indicative and there may be additional terms, conditions and requirements under the various borrowing arrangements entered into by us.

#### 8) Term loan of Rs. 1,798.00 Lakhs

<b>Facility</b>	Term loan of Rs. 1,798.00 Lakhs.			
<b>Interest Rate, Derivatives Limit (USD/INR cross currency swap)</b>	<p>The currency risk on principal and spread of the loan for full tenure is fully hedged. The principal amounting to Rs. 1,798 Lakhs is hedged at USD/INR 66.40.</p> <p>The currency risk and the interest rate risk will only be on the LIBOR part of the loan. The interest payable is 8.62% p.a. on the amount of Rs. 1,798.00 Lakhs and at the prevailing three (3) month LIBOR (unhedged) on the FC amount.</p>			
<b>Repayment Schedule</b>	<b>Year of repayment</b>	<b>No. of Months</b>	<b>Amount per month (In Rs. Lakhs)</b>	<b>Total repayment during the FY (In Rs. Lakhs)</b>
	FY 16-17	12	19.51	234.17
	FY17-18	12	28.84	346.04
	FY 18-19	12	33.92	407.07
	FY19-20	12	37.32	447.86
	FY 20-21	9	37.32	335.90
		1	26.96	26.96
	<b>Total</b>	<b>58</b>		<b>1,798.00</b>
<b>Security-primary</b>	First pari passu charge on plant & machinery located at Unit II, plot no. 370(2), village Kachigam, Nani Daman			
<b>Security-collateral</b>	<ol style="list-style-type: none"> <li>1. Second pari passu charge on plant and machinery to be created at Unit II, plot no. 370(2), village Kachigam, Nani Daman.</li> <li>2. First pari passu mortgage charge on land located at Unit II, plot no. 370(2), village Kachigam, Nani Daman.</li> </ol>			

	3. first pari passu charge on land, building and plant & machinery situated at plot no.60/61, Dabel Industrial Co-operative society, Daman (owned by M/s. Bobson Industries). 4. First pari passu charge on land, building and plant & machinery at Unit I, plot no. 32 and 33, Silver Industrial Estate, village: Bhimpore Daman (Union Territory) - 396 210. 5. Second pari passu charge on all current assets of the Company both present and future.
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#### 9) Cash Credit of Rs. 200.00 Lakhs from IndusInd Bank Limited

<b>Facility</b>	Cash credit
<b>Time Period</b>	Repayable on demand
<b>Purpose</b>	Working capital
<b>Interest rate</b>	10.60%
10a) Pre-shipment credit foreign currency/ post shipment credit (sub-limit of cash credit)	(Rs. 200.00 Lakhs) Interest rate – NA*
10b) Letter of credit (inland/ import)/ letter of undertaking/ buyer's credit (sub-limit of cash credit)	(Rs. 200.00 Lakhs) Commission rate – NA*
<b>Security-primary</b>	First pari passu charge on all current assets of the Company both present and future
<b>Security - collateral</b>	1. Second pari passu charge on land, building, plant & machinery at Factory Unit I, Plot no. 32 and 33, Silver Industrial Estate, village: Bhimpore Daman (Union Territory) - 396 210. 2. Second pari passu charge on land, building, plant and machinery situated at Plot no.60/61, Dabel Industrial co-operative society, Daman (owned by M/s. Bobson Industries). 3. Second pari passu charge on land, building, plant and machinery located at Factory Unit II, plot no. 370/2, village Kachigam, Nani Daman- 396210.

*\*The bank will decide the interest / commission rate at the time of utilisation of the facility.*

#### Guarantors and key covenants in relation to credit facilities from IndusInd Bank Limited

<b>Guarantors</b>	1. Ramswaroop Radheshyam Thard 2. Naresh Radheshyam Thard 3. Sajjankumar Nanikram Rungta 4. Guarantee of M/s. Bobson Industries (partnership firm)
<b>Key covenants</b>	During the currency of the IndusInd Bank Limited's credit facilities, the Company shall not without the prior approval of the bank in writing- a) effect any change in its capital structure; b) shall not pledge the shares held by the promoters, group beyond 10% of holdings, for raising any loan or for securitizing any loans or advances availed/to be availed by them from any bank/FI/lender.

### Other amounts borrowed by our Company

Apart from the above loans/facilities mentioned in this chapter, our Company has availed certain vehicle loans as mentioned below -

Name of the lender	Agreement no./ Reference no.	Amount borrowed (Rs. in Lakhs)	Tenure (in months)	Start date for repayment	End date for repayment	Rate of interest (%)	Amount outstanding as on March 10, 2018 (Rs. in Lakhs)	Security (Car Name)
HDFC Bank Limited	39395897	11.11	60	May 5, 2016	April 5, 2021	9.65	7.41	Hyundai Creta
HDFC Bank Limited	42129327	5.00	60	September 7, 2016	July 7, 2021	10.51	3.55	Ford Ecosport
HDFC Bank Limited	50342046	50.00	84	October 5, 2016	September 5, 2024	8.63	49.10	Mercedes Benz E-class (220 D)
ICICI Bank Limited	LATNEO O027318341	9.00	60	February 1, 2014	December 1, 2018	10.99	1.67	Toyota Innova
		<b>75.11</b>					<b>61.73</b>	

## SECTION VII - LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no outstanding: (i) criminal proceedings; (ii) actions taken by statutory/regulatory authorities; (iii) indirect and direct tax proceedings; (iv) material litigation(s) involving our Company, our Directors and our Promoters and (v) any litigation involving our Company, our Directors, our Promoters or any other person whose outcome could have a material adverse effect on the operations or financial position of our Company or (vi) outstanding dues to creditors of our Company as determined to be material by our Company's Board of Directors in accordance with SEBI ICDR Regulations and dues to small scale undertakings and other creditors.

For the purpose of material litigation in (iv) above, our Board, in its meeting held on November 20, 2017 has decided that litigation by or against our Company/ its Promoters and Directors where the amount involved exceeds Rs. 50 Lakhs (Rupees Fifty Lakhs Only) shall be considered material.

Our Company, our Promoters and/or our Directors, have not been declared as wilful defaulters by the RBI or any governmental authority, have not been debarred from dealing in securities and/or accessing capital markets by SEBI and no disciplinary action has been taken by SEBI or any stock exchange(s) against our Company, our Promoters or our Directors, that may have a material adverse effect on our business or financial position, nor, so far as we are aware, are there any such proceedings pending or threatened.

Unless otherwise stated, all proceedings mentioned below are pending as of the date of this Draft Red Herring Prospectus.

#### A. LITIGATION INVOLVING OUR COMPANY

##### (i) Litigation against our Company

##### (a) Criminal Proceedings

There are no criminal proceedings initiated / filed against our Company.

##### (b) Actions by statutory/regulatory authorities

There are no actions initiated by any statutory / regulatory authorities against our Company.

##### (c) Tax proceedings

Except for the proceedings disclosed below, there are no tax proceedings involving our Company, our Promoters and our Directors:

Particulars	Authority	Period ended September 30, 2017 (Amount in Rs. (Lakhs)	Year ended March 31, 2017 (Amount in Rs. (Lakhs)
Income tax demand of A.Y. 2012-13*	CIT(A)	2.10	2.10

Income tax demand of A.Y. 2012-13	DCIT	1.35	1.35
Income tax demand of A.Y. 2014-15	CIT(A)	0.75	0.75
<b>Total</b>		<b>4.20</b>	<b>4.20</b>

*\*pertains to erstwhile M/s. Rajshree Industries*

**(d) Material pending litigations**

There are no material pending litigations initiated / filed against our Company.

**(ii) Litigation by our Company**

**(a) Criminal Proceedings**

There are no criminal proceedings initiated / filed by our Company.

**(b) Actions by statutory/regulatory authorities**

There are no actions initiated before any statutory / regulatory authorities by our Company.

**(c) Tax proceedings**

Except for the income tax appeals disclosed in this section, there are no tax proceedings filed by our Company.

**(d) Material pending litigations**

There are no material pending litigations initiated / filed by our Company.

**B. LITIGATION INVOLVING OUR PROMOTERS.**

**(i) Litigation against our Promoters.**

**(a) Criminal Proceedings**

There are no criminal complaints or proceedings pending against our Promoters.

**(b) Actions by statutory / regulatory authorities**

There are no actions initiated by any statutory / regulatory authorities against our Promoters.

**(c) Tax proceedings**

There are no tax proceedings initiated by / filed against our Promoters.

**(d) Material pending litigations**

There are no material litigations pending against our Promoters.

**(ii) Litigation by our Promoters**

**(a) Criminal Proceedings**

There are no criminal complaints or pending proceedings which have been initiated / filed by our Promoters.

**(b) Actions by statutory/regulatory authorities**

There are no actions initiated before any statutory / regulatory authorities by our Promoters.

**(c) Tax proceedings**

There are no tax proceedings initiated / filed by our Promoters.

**(d) Material pending litigations**

There are no material pending litigations initiated / filed by our Promoters.

**C. LITIGATION INVOLVING OUR DIRECTORS**

**(a) Criminal Proceedings**

There are no criminal proceedings filed by or against our Directors.

**(b) Actions by statutory / regulatory authorities**

There are no actions initiated before any statutory / regulatory authorities by or against our Directors.

**(c) Tax proceedings**

There are no tax proceedings initiated / filed by or against our Directors.

**(d) Material pending litigations**

There are no material pending litigations initiated / filed by or against our Directors.

**D. OUTSTANDING DUES TO CREDITORS**

The Company on November 20, 2017 has through its Board of Directors adopted a materiality policy for disclosing outstanding amounts to creditors. Based on the same, as on September 30, 2017, our Company had eight (8) creditors, to whom an aggregate amount of Rs. 354.21 Lakhs was outstanding. Further, the said amount is outstanding to creditors including micro enterprises and small enterprises based on available information. The details of outstanding dues to creditors as on September 30, 2017 are as follows-

<b>Nature of Creditors</b>	<b>Number of creditors</b>	<b>Amount (Rs. in Lakhs)</b>
Micro, small and medium enterprises.	2	11.06
Others	6	343.15
<b>Total</b>	<b>8</b>	<b>354.21</b>



The details of the outstanding amounts to creditors are also disclosed on the website of our Company i.e. [www.rajshreepolypack.com](http://www.rajshreepolypack.com)

**E. FURTHER CONFIRMATION**

Except as disclosed above, there are no regulatory actions initiated by/ taken against our Company, our Promoters and our Directors in their individual capacity by various agencies/regulatory bodies. Further, except as disclosed above there are no show cause notices received by our Company, our Promoters, or our Directors in their individual capacity (pending any investigation) for any regulatory lapse.

**F. CHANGE IN ACCOUNTING POLICIES IN THE LAST THREE (3) YEARS**

There has been no change in accounting policies in the last three (3) years.

**G. MATERIAL DEVELOPMENTS**

In the opinion of the Board, there have been no material developments, since the date of the last balance sheet, included in this Draft Red Herring Prospectus which affects the business and profitability of our Company taken as a whole or the value of its consolidated assets or its ability to pay liabilities over the next twelve (12) months, except as disclosed in chapter titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 253 of this Draft Red Herring Prospectus.

## GOVERNMENT AND OTHER STATUTORY APPROVALS

Our Company has received the necessary consents, licenses, permissions, registrations and approvals from various governmental agencies and other statutory and/ or regulatory authorities required for carrying out our present business activities and except as mentioned below, no further material approvals are required for carrying on our present business activities. Our Company undertakes to obtain all material approvals and licenses and permissions required to operate our present business activities. Unless otherwise stated, these approvals or licenses are valid as of the date of this Draft Red Herring Prospectus and in case of licenses and approvals which have expired, we have either made an application for renewal or are in the process of making an application for renewal or we have sought a clarification from the relevant statutory and/ or regulatory authorities in relation to the applicability of the approval. For details of risk associated with not obtaining or delay in the obtaining the requisite approvals, please refer to section titled “*Risk Factors –We require certain approvals and licenses in the ordinary course of business and are required to comply with certain rules and regulations to operate our business and the failure to obtain, retain and renew such approvals and licenses or comply with such rules and regulations, and the failure to obtain or retain them in a timely manner or at all may adversely affect our operations*” on page 26 of this Draft Red Herring Prospectus. For further details, in connection with the applicable regulatory and legal framework, please refer to chapter titled “*Key Industry Regulations and Policies*” beginning on page 149 of this Draft Red Herring Prospectus.

The objects clause of the MoA enables our Company to undertake their respective present business activities.

### **Approvals/Agreements in relation to our Company’s IPO**

#### *Approval of the Company*

1. Resolutions of our Board dated November 20, 2017 and shareholders dated December 18, 2017, pursuant to section 62 of the Companies Act, authorizing and approving the Issue.

#### *Approval of NSE EMERGE*

1. In-principle approval from the NSE EMERGE dated [•] for the Issue.

#### *Agreements with Depositories for dematerialisation of equity shares*

1. CDSL: ISIN No.: INR000004058 vide Tripartite Agreement among CDSL, our Company and Link Intime India Private Limited dated January 18, 2018.
2. NSDL: ISIN No.: INE760W01015 vide Tripartite Agreement among NSDL, our Company and Link Intime India Private Limited dated January 19, 2018.

### **Material Approvals in Relation to the Business of our Company**

We have received the following significant government and other approvals pertaining to our business:

Sr. No	Nature of License/ Approval Granted	Issuing Authority	Registration/ License No	Date of Granting/ Renewal of License/ Approval	Validity
<b>A. Corporate Approvals</b>					
1.	Certificate of Incorporation	Registrar of Companies, Mumbai	CIN: U25209MH2011 PTC223089	October 15, 2011	Not applicable.
2.	Fresh Certificate of incorporation upon conversion into Public Limited Company and consequential change of name from Rajshree Polypack Private Limited to Rajshree Polypack Limited	Registrar of Companies, Mumbai	CIN: U25209MH2011 PLC223089	August 3, 2017	Until cancellation or winding up
3.	Certificate of Importer- Exporter Code (IEC)	Office of Additional Director General of Foreign Trade, Ministry of Commerce and Industry	0311072852	January 31, 2012	Until cancelled or surrendered
<b>B. Tax Related Approvals</b>					
4.	Allotment of Permanent Account Number (PAN) under the provisions of Income Tax Act, 1961	Income Tax Department, Government of India	AAFCR5189M	October 15, 2011	Until cancelled or surrendered
5.	Allotment of Tax Deduction Account No. (re-issued on account of change of Registered Office)	Income Tax Department, Government of India	PNER21743B	February 6, 2018	Until cancelled or surrendered
6.	Certificate for Central Excise Registration for Factory Unit – I	Assistant Commissioner Central Excise & Customs	AAFCR5189ME M001	December 13, 2011	Until cancelled or surrendered
7.	Certificate for Central Excise Registration for Factory Unit – II	Deputy Commissioner Central Excise	AAFCR5189ME M003	February 7, 2013	Until cancelled or surrendered
8.	Certificate for Central Excise Registration for Factory Unit – III	Assistant Commissioner Central Excise & Customs	AAFCR5189ME M004	April 12, 2016	Until cancelled or surrendered

9.	Service Tax Registration (Form ST-2) for Factory Unit – III	Superintendent (Service Tax Customs and Central Excise)	AAFCR5189MS D003	April 29, 2016	Until cancelled or Surrendered
10.	Service Tax Registration (Form ST-2) for Factory Unit – II	Superintendent (Service Tax Customs and Central Excise)	AAFCR5189MS D002	March 6, 2013	Until cancelled or surrendered
11.	Service Tax Registration (Form ST-2) for Factory Unit – I	Superintendent (Service Tax Customs and Central Excise)	AAFCR5189MS D001	December 26, 2011	Until cancelled or Surrendered
12.	Certificate of Registration under Daman and Diu Value Added Tax Regulation and Rules, 2005	Assistant Value Added Tax Officer, Daman.	TIN: 25000007145	December 21, 2011	Until cancelled or surrendered
13.	Certificate of Registration under Central Sales Tax Act, 1956	Assistant Value Added Tax Officer, Daman	DA/(CST)/6584	December 21, 2011	Until cancelled or surrendered
14.	Certificate of Registration under sub-section (1) of Section 5 of Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975 (Form IA)	Profession Tax Officer, Mumbai	27195284646P	October 1, 2011	Until cancelled or surrendered
15.	Certificate of Enrolment under Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975 Form II- A	Profession Tax Officer, Mumbai	99072194850P	April 1, 2011	Until cancelled or surrendered
16.	Registration of additional place of business for Factory Unit - II made in accordance with sub rule (1) of Rule 7 of the Central Sales Tax (Registration & Turnover) Rules, 1957	Assistant Value Added Tax Officer, VAT Department, Daman	DA/(CST)/6584	April 15, 2013	Until cancelled or surrendered
17.	Registration of additional place of business for Factory Unit - II made in accordance with sub rule (2) of Rule 16 and Section 22 of Daman & Diu VAT Regulation and Rules, 2005	Assistant Value Added Tax Officer, VAT Department, Daman	TIN- 25000007145	April 15, 2013	Until cancelled or surrendered
18.	Registration of additional place of business for Factory Unit - III made in accordance with sub rule (1) of Rule 7 of the Central	Assistant Value Added Tax Officer, VAT Department, Daman	DA/(CST)/6584	December 10, 2015	Until cancelled or surrendered

	Sales Tax (Registration & Turnover) Rules, 1957				
19.	Registration of additional place of business for Factory Unit - III made in accordance with sub rule (2) of Rule 16 and Section 22 of Daman & Diu VAT Regulation and Rules, 2005	Assistant Value Added Tax Officer, VAT Department, Daman	TIN-25000007145	December 10, 2015	Until cancelled or surrendered
20.	Certificate of Provisional Registration Form GST REG-25	Assistant Commercial Tax Officer, Daman	25AAFCR5189M1ZR	June 28, 2017	Until the issue of final registration certification
21.	Registration Certificate, Goods and Service Tax (Form GST REG-06)	Assistant Commercial Tax Officer, Daman	25AAFCR5189M1ZR	December 4, 2017	Valid from November 7, 2017 until cancelled or surrendered
22.	Registration Certificate, Goods and Service Tax (Form GST REG-06) (For Registered Office of our Company)	Superintendent, Thane City.	27AAFCR5189M2ZM	January 22, 2018	Valid from January 1, 2018 until cancelled or surrendered
23.	Issuance of Letter of Undertaking in from RFD-11 for export of goods or services.	Office of Deputy Commissioner, Division-II, Central GST Commissioner, Daman	F.No. DIV-II/AC/IGST/LUT/38/17-18	July 25, 2017	June 30, 2018
<b>C. Approvals/ Certification relating to Factory Operations</b>					
24.	No-Objection Certificate for Factory Unit – II	Director General, Coast Guard Headquarters	AS-ATM/0107/NOC/07/2012	December 31, 2012	Until cancelled
25.	Certificate of Registration, Intertek (for meeting the requirements set out in the BRC Global standards for packaging and packaging materials.) for Factory Unit – I	Intertek Certification Ltd, UKAS 014	091B1501002	February 14, 2018	March 3, 2019
26.	Certificate of Registration, Intertek (for meeting the requirements set out in the BRC Global standards for packaging and packaging materials.) for Factory Unit – II	Intertek Certification Ltd, UKAS 014	091B1501001	February 23, 2018	March 4, 2019



27.	License to Work a factory- Factory Unit - II	Chief Inspector of Factories, Daman	Registration No:- 3400 License No: 3400	May 13, 2013	December 31, 2019
28.	License to Work a factory- Factory Unit – I	Chief Inspector of Factories, Daman	Registration No:- 2497 License No: 2497	June 3, 2004	December 31, 2019
29.	License to Work a factory- Factory Unit – III	Chief Inspector of Factories, Daman	Registration No:- 3563 License No: 3563	March 17, 2016	December 31, 2019
30.	Udyog Aadhar Registration Certificate- Factory Unit I	Government of India, Ministry of Micro, Small and Medium Enterprises	MH19B0009315	Date of Filing- March 20,2017 Date of Printing- February 5, 2018	Until cancelled or surrendered
31.	Udyog Aadhar Registration Certificate- Factory Unit III	Government of India, Ministry of Micro, Small and Medium Enterprises	DD01B0000069	Date of Filing- December 5,2015 Date of Printing- February 28, 2018	Until cancelled or surrendered
32.	Permission of Self Sealing for Export of Goods in container under e-sealing procedure - Factory Unit – I	Officer of the Commissioner of Customs (General), Jawaharlal Nehru Custom House, Nhava Sheva District Raigad.	S/6 Gen. Self Sealing- 2417/2017-2018- EXP-FSP/2283	December 20, 2017	December 31, 2020
33.	Permission of Self Sealing for Export of Goods in container under e-sealing procedure - Factory Unit - II	Officer of the Commissioner of Customs (General), Jawaharlal Nehru Custom House, Nhava Sheva District Raigad.	S/6 Gen. Self Sealing- 2418/2017-2018- EXP-FSP/2284	December 20, 2017	December 31, 2020
34.	Permanent SSI Registration	Department of Industries, District	6001002307	October 13, 2004 Amended on-	Replaced with Udyog Aadhar (as on-

		Industries Centre, Daman		December 21, 2011.	mentioned at item no.30)
35.	Certificate of Weights and Measures	Inspector of Weights and Measures, Daman	01689	November 28, 2016	November 21, 2018
<b>D. Employees related approvals/certifications</b>					
36.	Certificate of Registration under Employee Provident Fund Scheme, 1952	Employees Provident Fund Organization	GJ/APFC/VAPI/46586	March 31, 2005	Until cancelled or surrendered
<b>E. Approvals relating to Environmental Laws</b>					
37.	Consent to Operate under section 25 of the Water (Prevention & Control of Pollution) Act, 1974 (Factory Unit - II)	Pollution Control Committee, Daman and Diu and Dadra and Nagar Haveli	PCC/DDD/G-5507/KG/WA/12-13/2770	September 28, 2017	June 30, 2019
38.	Consent to Operate under section 25 of the Water (Prevention & Control of Pollution) Act, 1974 and under Section 21 of Air (Prevention and Control of Pollution) Act, 1981 (Factory Unit - I)	Pollution Control Committee, Daman and Diu and Dadra and Nagar Haveli	PCC/DDD/G-3389/WA/AA/BP/03-04/904	February 22, 2017	October 31, 2019
39.	Consent to Operate under Section 21 of Air (Prevention and Control of Pollution) Act, 1981 (Factory Unit - III)	Pollution Control Committee, Daman and Diu and Dadra and Nagar Haveli	PCC/DDD/G-8022/BP/AA/15-16/2768	September 28, 2017	February 28, 2020
40.	Consent to Operate under section 25 of the Water (Prevention & Control of Pollution) Act, 1974 (Factory Unit - III)	Pollution Control Committee, Daman and Diu and Dadra and Nagar Haveli	PCC/DDD/G-8022/BP/WA/15-16/2767	September 28, 2017	February 28, 2020
41.	Consent to Operate under Section 21 of Air (Prevention and Control of Pollution) Act, 1981 (Factory Unit - II)	Pollution Control Committee, Daman and Diu and Dadra and Nagar Haveli	PCC/DDD/G-5507/KG/AA/12-13/2769	September 28, 2017	June 30, 2019
<b>F. Miscellaneous Certifications/ Approvals</b>					

42.	Registration cum Membership Certificate	The Plastic Export Promotion Council, Mumbai	PLEPC/R/447/2017-2018	April 13, 2017	March 31, 2022
43.	Acknowledgement of receipt of memorandum intimating commencement of commercial production (re-issued on account of change of name from Rajshree Polypack Private Limited to Rajshree Polypack Limited)	Department of Industrial Policy & Promotion, Ministry of Commerce & Industry	2345/IMO/SIA/2013	October 10, 2017	Until cancelled or surrendered
44.	Registered Exporter (REX) Registration	Deputy Director, Export Inspection	INREX0311072852EC001	May 12, 2017	Until cancelled or surrendered

#### **Licenses / Approvals which have been applied for, yet not been approved / granted**

1. Our Company has applied for the following trademarks:

Sr. No	Mark	Application No.	Class	Proprietor	Date of Application	Date of Expiry	Registration Status
1.	RPPL (Device) 	3684712	16	Rajshree Polypack Limited	November 22, 2017	Not applicable	Pending
2.	RPPL (Logo) 	3712594	39	Rajshree Polypack Limited	December 27, 2017	Not Applicable.	Pending

2. Our Company is in the process of applying for registration in respect of our Registered Office and Corporate Office under the applicable provisions of Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017 and Maharashtra Shops and Establishments Act, 1948.

#### **Intellectual Property related approvals /registrations**

Our Company has the license to use the following trademarks:



Sr. No	Word Mark	Application No.	Class	Proprietor	Date of Application	Date of Expiry of Trademark	Date of Trademark License Agreement	Date of Expiry of License Agreement
1.	SAMRA T	1076235	21	Nareshkumar R Thard, Raghunandan V. Thard, Anand S. Rungta Trading As: Bobson Industries Partnership Firm	January 25, 2002	January 25, 2022	March 1, 2012	February 28, 2022
2.	NATRAJ	737757	21	Sajjankumar Nanikram Rungta, Ramswaroop Radheshyam Thard, Naresh Radheshyam Thard Trading As: S. R. Plastics Partnership Firm	March 19, 1997	March 19, 2024	March 1, 2012	February 28, 2022
3.	SATYA M	1076236	21	Sajjankumar Nanikram Rungta, Ramswaroop Radheshyam Thard, Naresh Radheshyam Thard Trading As: S. R. Plastics Partnership Firm	January 25, 2002	January 25, 2022	March 1, 2012	February 28, 2022

## **OTHER REGULATORY AND STATUTORY DISCLOSURES**

### **AUTHORITY FOR THE ISSUE**

The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on November 20, 2017 and approved by the shareholders of our Company vide a special resolution at the EGM held on December 18, 2017 pursuant to Section 62(1)(c) of the Companies Act.

The Company has obtained approval from NSE EMERGE vide letter dated [●] to use the name of NSE EMERGE in this Draft Red Herring Prospectus for listing of Equity Shares on the Emerge Platform of NSE. NSE EMERGE is the Designated Stock Exchange.

### **PROHIBITION BY SEBI, RBI OR OTHER GOVERNMENTAL AUTHORITIES**

Neither our Company nor any of its Directors, Promoters, relatives of Promoters and our Promoter Group have been declared as wilful defaulter(s) by the RBI or any other governmental authority. Further, there has been no violation of any securities law committed by any of them in the past and no such proceedings are currently pending against any of them.

We confirm that our Company, Promoters, relatives of Promoters or Directors have not been prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI or any other government authority. Neither our Promoters, nor any of our Directors or persons in control of our Company were or is 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 governmental authorities.

The listing of any securities of our Company has never been refused at any time by any of the stock exchanges in India.

We confirm that none of our Directors are associated with the securities market in any manner and no action has been initiated against these entities by SEBI at any time except as may be stated under the chapters titled “*Risk Factors*”, “*Our Promoters & Promoter Group*” and “*Our Group Companies*” and “*Outstanding Litigations and Material Developments*” beginning on page 20, 180, 185 and respectively, of this Draft Red Herring Prospectus.

### **ELIGIBILITY FOR THIS ISSUE**

Our Company is an “Unlisted Issuer” in terms of SEBI ICDR Regulations; and this Issue is an “Initial Public Offer” in terms of SEBI ICDR Regulations.

Our Company is eligible for the Issue in accordance with regulation 106M (2) and other provisions of chapter XB of SEBI ICDR Regulations as the post issue face value capital is more than Rs. 1,000 Lakhs and upto 2,500 Lakhs. Our Company also complies with the eligibility conditions laid by the NSE EMERGE for listing of our Equity Shares.

#### **We confirm that:**

- a. In accordance with Regulation 106P of SEBI ICDR Regulations, this Issue has been 100% underwritten and that the Book Running Lead Manager to the Issue has underwritten atleast 15% of the total Issue Size.

For further details pertaining to underwriting, please refer to chapter titled “*General Information*” beginning on page 53 of this Draft Red Herring Prospectus.

- b. In accordance with Regulation 106R of SEBI ICDR Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight (8) 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) days, be liable to repay such application money, with interest as prescribed under Section 40 of the Companies Act.
- c. In accordance with Regulation 106O of SEBI ICDR Regulations, we have not filed any Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our Book Running Lead Manager submits the copy of Draft Red Herring Prospectus/Red Herring Prospectus along with a due diligence certificate including additional confirmations as required to SEBI at the time of filing the Draft Red Herring Prospectus/Prospectus with Stock Exchange and the Registrar of Companies.
- d. In accordance with Regulation 106V of SEBI ICDR Regulations, we have entered into an agreement with the Book Running Lead Manager and Market Maker to ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of Equity Shares offered in this Issue. For further details of the arrangement of market making please refer to chapter on “*General Information*” beginning on page 53 of this Draft Red Herring Prospectus.
- e. The Company has track record of more than three (3) years and positive cash accruals (earnings before depreciation and tax) from operations for at least two (2) financial years preceding the application.
- f. Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR) under the erstwhile Sick Industrial Companies (Special Provisions) Act, 1985 and/or to the National Company Law Tribunal under Insolvency and Bankruptcy Code, 2016. .
- g. There is no winding up petition against the Company, which has been admitted by the court, nor has a liquidator been appointed.
- h. There has been no change in the Promoter(s) of the Company in the preceding one (1) year from date of filing application to NSE for listing on Emerge Platform.
- i. Our Company shall mandatorily facilitate trading in demat securities and has entered into an agreement with both the depositories.
- j. We have a website: [www.rajshreepolypack.com](http://www.rajshreepolypack.com)
- k. We are not a stock / commodity broking company since incorporation.
- l. We are not a finance company since incorporation.

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 NSE EMERGE.

As per Regulation 106M(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 shall not apply to us in this Issue.

## **Disclosure**

The Issuer, the Directors, our Promoters and Promoter Group have confirmed that they have not been identified as wilful defaulters by the RBI or any other Governmental Authority.

### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER, PL CAPITAL MARKETS PRIVATE LIMITED, HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 FOR THE TIME BEING IN FORCE. 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 DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, HAS FURNISHED TO THE STOCK EXCHANGE A DUE DILIGENCE CERTIFICATE AND WHICH SHALL BE SUBMITTED TO SEBI AFTER REGISTERING THE RED HERRING PROSPECTUS WITH ROC AND BEFORE OPENING THE ISSUE IN ACCORDANCE WITH THE SEBI (MERCHANT BANKERS), REGULATIONS, 1992, WHICH IS REPRODUCED HEREUNDER-**

**“WE, THE UNDER NOTED BOOK RUNNING 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 RED HERRING 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, 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 RED HERRING PROSPECTUS FILED WITH YOU 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 SECURITIES AND EXCHANGE BOARD OF INDIA, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND
- c) THE DISCLOSURES MADE IN THE DRAFT RED HERRING 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, 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 RED HERRING PROSPECTUS ARE ALSO REGISTERED WITH SEBI AND THAT TILL DATE SUCH REGISTRATION IS VALID.
4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS – NOTED FOR COMPLIANCE.
5. WE CERTIFY THAT WRITTEN CONSENT FROM THE PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF THE PROMOTER'S CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF THE PROMOTER'S CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT RED HERRING PROSPECTUS WITH SEBI TILL THE DATE OF COMMENCEMENT OF THE LOCK-IN PERIOD AS STATED IN THE DRAFT RED HERRING 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 RED HERRING PROSPECTUS. – NOTED FOR COMPLIANCE.
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 AUDITOR'S CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE SEBI. 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 COMPANY 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 COMPANY AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION – COMPLIED WITH TO THE EXTENT APPLICABLE.
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 COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM THE STOCK EXCHANGE MENTIONED IN THE DRAFT RED HERRING PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT TO BE ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAIN THIS CONDITION – NOTED FOR COMPLIANCE.
10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE EQUITY SHARES IN DEMAT OR PHYSICAL MODE – NOT APPLICABLE, AS IN TERMS OF PROVISIONS OF SECTION 29 OF COMPANIES ACT, 2013 THE EQUITY SHARES ARE TO BE ISSUED IN DEMAT FORM ONLY.
11. WE CERTIFY THAT ALL 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 RED HERRING PROSPECTUS:
  - a) AN UNDERTAKING FROM THE COMPANY THAT AT ANY GIVEN TIME THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY; AND
  - b) AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.
13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE - NOTED FOR COMPLIANCE.
14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS

**BACKGROUND OF THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, 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 RED HERRING 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 DATED SEPTEMBER 27, 2011. – ANNEXURE-A**
- 17. WE CERTIFY THAT THE PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS - COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED, IN ACCORDANCE WITH ACCOUNTING STANDARD 18, IN THE FINANCIAL STATEMENTS OF THE COMPANY INCLUDED IN THIS DRAFT RED HERRING PROSPECTUS.**
- 18. WE CERTIFY THAT THE ENTITY IS ELIGIBLE UNDER 106Y(1)(A) OR (B) (AS THE CASE MAY BE) TO LIST ON THE INSTITUTIONAL TRADING PLATFORM, UNDER CHAPTER XC OF THESE REGULATIONS (IF APPLICABLE) – NOT APPLICABLE**

**ADDITIONAL CONFIRMATIONS/ CERTIFICATIONS TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH OFFER DOCUMENT REGARDING SME EXCHANGE.**

**WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE OFFER DOCUMENT HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.**

**WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.**

**WE CONFIRM THAT THE ABRIDGED PROSPECTUS SHALL CONTAIN ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009. – NOTED FOR COMPLIANCE.**

**WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER – COMPLIED WITH.**

**WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISIO TO SUB-REGULATION (4) OF REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009; CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE DRAFT RED HERRING PROSPECTUS.**

**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 WILL BE MADE PRIOR TO FILING THE RED HERRING PROSPECTUS. –NOTED FOR COMPLIANCE**

**DISCLAIMER STATEMENT 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 in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information, including our website [www.rajshreepolypack.com](http://www.rajshreepolypack.com) would be doing so at his or her own risk.

**CAUTION**

The Book Running Lead Manager accepts no responsibility, save to the limited extent as provided in the Agreement entered into among the Book Running Lead Manager and our Company dated March 23, 2018, the Underwriting Agreement dated [●] entered into among the Underwriter and our Company and the Market Making Agreement dated [●] entered into among the Market Maker, Book Running Lead Manager and our Company.

Our Company and the Book Running Lead Manager shall make all information available to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centres, etc.

The Book Running Lead Manager and its associates and affiliates may engage in transactions with and perform services for, our Company and associates of our Company in the ordinary course of business and may in future engage in the provision of services for which they may in future receive compensation. PL Capital Markets Private Limited is not an associate of the Company and is eligible to be appointed as the Book Running Lead Manager in this Issue, under SEBI (Merchant Bankers) Regulations, 1992.

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



## **PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE BOOK RUNNING LEAD MANAGER**

For details on the issues handled by the BRLM in past three (3) years as specified in circular no. CIR/CFD/DIL/7/2015 dated October 30, 2015 issued by SEBI, please refer Annexure A of this Draft Red Herring Prospectus.

## **DISCLAIMER IN RESPECT OF JURISDICTION**

This Issue is being made in India to persons resident in India including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), 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, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 2,500 Lakhs, pension funds with minimum corpus of Rs. 2,500 Lakhs and the National Investment Fund, and permitted non-residents including FPIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The Draft Red Herring Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Thane 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, except that the Draft Red Herring Prospectus had been filed with NSE EMERGE for its observations and NSE EMERGE gave its observations on the same. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, 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 U.S Securities Act and in compliance with applicable laws, legislations and Draft Red Herring Prospectus in each jurisdiction, including India.

## **DISCLAIMER CLAUSE OF THE EMERGE PLATFORM OF NSE**

As required, a copy of the Draft Red Herring Prospectus shall be submitted to NSE EMERGE. The Disclaimer Clause as intimated by the NSE EMERGE to us, post scrutiny of the Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to the filing with RoC.

## **DISCLAIMER CLAUSE UNDER RULE 144A OF U.S. SECURITIES ACT**

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 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 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 and sold only outside the United States in offshore transaction in reliance on Regulation S under the U.S Securities Act and the applicable laws of the jurisdiction where those offers and sale occur

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other Jurisdiction outside India and may not be offered or sold, and application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

## **DISCLAIMER CLAUSE OF CARE**

This report is prepared by CARE Advisory. CARE Advisory has taken utmost care to ensure accuracy and objectivity while developing this report based on information available in public domain. However, neither the accuracy nor completeness of information contained in this report is guaranteed. CARE Advisory operates independently of ratings division and this report does not contain any confidential information obtained by ratings division, which they may have obtained in the regular course of operations. The opinion expressed in this report cannot be compared to the rating assigned to the company within this industry by the ratings division. The opinion expressed is also not a recommendation to buy, sell or hold an instrument.

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## **FILING**

The Draft Red Herring Prospectus has not been filed with SEBI in terms of Regulation 106O (1) of SEBI ICDR Regulations, nor has SEBI issued any observation on the offer document in terms of Regulation 106M (3) of SEBI ICDR Regulations. However, a copy of the Red Herring Prospectus and the Prospectus shall be filed with SEBI at Plot No. C 4-A, G Block, Near Bank of India, Bandra Kurla Complex, Bandra East, Mumbai, Maharashtra 400051 and shall be simultaneously filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.

A copy of the Red Herring Prospectus and the Prospectus along with the documents required to be filed under Section 32 of the Companies Act will be delivered to the ROC situated at Everest 5th Floor, 100 Marine Drive, Mumbai, Maharashtra 400002.

## **LISTING**

In terms of Chapter XB of SEBI ICDR Regulations, the application will be made NSE EMERGE for obtaining permission to deal in and for an official quotation of our Equity Shares. NSE EMERGE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

NSE EMERGE has given its in-principle approval for using its name in our Draft Red Herring Prospectus *vide* its letter dated [●].

If the permission to deal in and for an official quotation of the Equity Shares on the Emerge Platform is not granted by NSE, our Company shall forthwith repay, without interest, all moneys received from the Applicants in pursuance of the Prospectus. The Allotment Advice shall be issued or application money shall be refunded / unblocked within fifteen (15) days from the closure of the Issue or such lesser time as may be specified by SEBI or else the application money shall be refunded to the Applicants forthwith, failing which interest shall be due to be paid to the Applicants at the rate of fifteen (15) per cent per annum for the delayed period as prescribed under Companies Act, SEBI ICDR Regulations and other applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Emerge Platform of NSE mentioned above are taken within six (6) Working Days from the Issue Closing Date.

## **CONSENTS**

Consents in writing of: (a) the Directors, Statutory Auditor & Peer Reviewed Auditor, the Company Secretary & Compliance Officer, Chief Financial Officer, Banker to the Company and (b) Book Running Lead Manager, Underwriter, Market Maker, Registrar to the Issue, Public Issue Bank / Banker to the Issue and Refund Banker to the Issue, Legal Advisor to the Issue to act in their respective capacities have been obtained and is filed along with a copy of the Red Herring Prospectus/ Prospectus with the RoC, as required under Sections 26 of the Companies Act and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the ROC.

Our Statutory Auditor S G C O & Co. LLP, Chartered Accountants have given their written consent to the inclusion of their report dated December 18, 2017 on restated Financial Statements of our Company and Statement of Tax Benefits dated February 2, 2018 in the form and context in which it appears in the Draft Red Herring Prospectus and such consent and report shall not be withdrawn up to the time of filing of this DRHP.

## **EXPERT OPINION**

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

Our Company has received a written consent from our Statutory and Peer Review Auditor, S G C O & Co. LLP, Chartered Accountants, with respect to the report on the Financial Statements dated December 18, 2017 and the Statement of Tax Benefits dated February 2, 2018, to include their name in this Draft Red Herring Prospectus, as required under section 26(1)(a)(v) of the Companies Act read with SEBI ICDR Regulations as “Expert”, defined in section 2(38) of the Companies Act and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

## **EXPENSES OF THE ISSUE**

The total estimated expenses are Rs. [●] Lakhs, which is [●] % of the Issue size. The expenses of this Issue include, among others, underwriting and management fees, selling commissions, SCSBs commissions/fees, printing and distribution expenses, legal fees, statutory advertisement expenses, registrar and depository fees and listing fees. For details of total expenses of the Issue, refer to chapter titled “*Objects of the Issue*” beginning on page 84 of this Draft Red Herring Prospectus

The estimated issue expenses are as under:

Activity	Estimated expenses (Rs. in Lakhs) *	As a % of total estimated Issue related expenses	As a % of Issue size
Fees payable to the Book Running Lead Manager (including Underwriting commission)	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Fees payable to the Registrar to the Issue	[●]	[●]	[●]
Brokerage and selling commission payable to Syndicate**	[●]	[●]	[●]
Brokerage and selling commission payable to Registered Brokers**	[●]	[●]	[●]
Processing fees to SCSBs for ASBA Applications procured by the members of the Syndicate or Registered Brokers and submitted with the SCSBs**	[●]	[●]	[●]
Others (listing fees, legal fees, stationery charges, bankers to the Issue, auditor's fees etc.)	[●]	[●]	[●]
<b>Total Estimated Issue related expenses</b>	[●]	[●]	[●]

\* Will be incorporated after finalisation of the Issue Price in the Prospectus.

\*\* Selling commission payable to the members of the Syndicate, CDPs, RTA and SCSBs, on the portion for RIIs and NIIs, would be as follows:

Portion for RIIs	[●]% ^ (exclusive of Goods and Service Tax)
Portion for NIIs	[●]% ^ (exclusive of Goods and Service Tax)

^Percentage of the amounts received against the Equity Shares Allotted (i.e. the product of the number of Equity Shares Allotted and the Offer Price)

Further, the Members of Syndicate, RTAs and CDPs will be entitled to bidding charges of Rs. [●] (plus applicable Goods and Service Tax) per valid ASBA Form. The terminal from which the Bid has been uploaded will be taken into account in order to determine the total bidding charges payable to the relevant RTA/CDP.

\*\*\*Registered Brokers, will be entitled to a commission of Rs. [●] (plus applicable Goods and Service Tax) per Bid cum Application Form, on valid Bids, which are eligible for allotment, procured from RIIs and NIIs and submitted to the SCSB for processing. The terminal from which the bid has been uploaded will be taken into account in order to determine the total processing fees payable to the relevant Registered Broker.

\*\*\*\* SCSBs would be entitled to a processing fee of Rs. [●] (plus Goods and Service Tax) for processing the Bid cum Application Forms procured by the members of the Syndicate, Registered Brokers, RTAs or the CDPs and submitted to SCSBs.

## **FEES, BROKERAGE AND SELLING COMMISSION PAYABLE TO THE BOOK RUNNING LEAD MANAGER**

The total fees payable to the Book Running Lead Manager will be as per the (i) Issue Agreement dated March 23, 2018 with the Book Running Lead Manager, PL Capital Markets Private Limited, (ii) the Underwriting Agreement dated [●] with [●] and (iii) the Market Making Agreement dated [●] with Prabhudas Liladhar Private Limited, a copy of which is available for inspection at our Registered Office from 10.00 a.m. to 5.00 p.m. (IST) on Working Days from the date of the Draft Red Herring Prospectus until the Issue Closing Date.

## **FEES PAYABLE TO THE REGISTRAR TO THE ISSUE**

The fees payable to the Registrar to the Issue will be as per the agreement between our Company and the Registrar to the Issue dated January 5, 2018, a copy of which is available for inspection at our Company's Registered Office.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty, and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable it to make refunds in any of the modes described in this Draft Red Herring Prospectus or send Allotment Advice by registered post/speed post.

## **FEES PAYABLE TO OTHERS**

The total fees payable to the Legal Advisor, Auditor's and advertisers, etc. will be as per the terms of their respective engagement letters, if any.

## **PREVIOUS RIGHTS AND PUBLIC ISSUES SINCE THE INCORPORATION**

We have not made any previous rights and/or public issues since incorporation, and are an Unlisted Issuer in terms of SEBI ICDR Regulations and this Issue is an Initial Public Offering in terms of SEBI ICDR Regulations.

## **PREVIOUS ISSUES OF SECURITIES OTHERWISE THAN FOR CASH**

Except as disclosed in chapter titled "*Capital Structure*" beginning on page 66 of this Draft Red Herring Prospectus, our Company has not made any issue of securities for consideration other than cash.

## **COMMISSION AND BROKERAGE ON PREVIOUS ISSUES**

Since this is the IPO of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares since our inception.

## **PREVIOUS CAPITAL ISSUE DURING THE PREVIOUS THREE YEARS BY LISTED SUBSIDIARIES, GROUP COMPANIES AND ASSOCIATES OF OUR COMPANY**

None of our subsidiaries, Group Companies, and Associates are listed and have undertaken any public or rights issue in the three (3) years preceding the date of this Draft Red Herring Prospectus.

## **PROMISE VERSUS PERFORMANCE FOR OUR COMPANY**

Our Company is an "Unlisted Issuer" in terms of SEBI ICDR Regulations, and this Issue is an Initial Public Offering in terms of SEBI ICDR Regulations. Therefore, data regarding promise versus performance is not applicable to us.

## **OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY OUR COMPANY**

As on the date of this Draft Red Herring Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

## **STOCK MARKET DATA FOR OUR EQUITY SHARES**

Our Company is an “Unlisted Issuer” in terms of SEBI ICDR Regulations, and this Issue is an Initial Public Offering in terms of SEBI ICDR Regulations. Thus, there is no stock market data available for the Equity Shares of our Company.

## **MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES**

The Company has appointed Link Intime India Private Limited as the Registrar to the Issue, to handle the investor grievances in co-ordination with our Company. All grievances relating to the present Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as name, address of the Applicant, number of Equity Shares applied for, amount paid on application and name of bank and branch. The Company would monitor the work of the Registrar to the Issue to ensure that the investor grievances are settled expeditiously and satisfactorily.

The Registrar to the Issue will handle investor’s grievances pertaining to the Issue. A fortnightly status report of the complaints received and redressed by them would be forwarded to the Company. The Company would also be coordinating with the Registrar to the Issue in attending to the grievances to the investor.

All grievances relating to the ASBA process may be addressed to the SCSBs, giving full details such as name, address of the Applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch of the SCSB where the Bid cum Application Form was submitted by the ASBA Applicant. We estimate that the average time required by us or the Registrar to the Issue or the SCSBs for the redressal of routine investor grievances will be seven (7) business days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

The Company has also appointed Mitali Rajendra Shah as the Company Secretary & Compliance Officer and she may be contacted at the following address:

**Mitali Rajendra Shah**

#503/504, 5<sup>th</sup> Floor, Lodha Supremus, Road 22,  
Kishan Nagar, Near New Passport Office, Wagle Estate,  
Thane (West) - 400604, Maharashtra, India

**Tel No.:** +91 22 25818200

**Fax No.:** +91 22 25818250

**E-mail Address:** cosec@rajshreepolypack.com

Investors can contact the Company Secretary & 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 or unblocking of funds, etc.

## **STATUS OF INVESTOR COMPLAINTS**

We confirm that there is no investor complaints filed against the Company.

## **DISPOSAL OF INVESTOR GRIEVANCES BY LISTED COMPANIES UNDER THE SAME MANAGEMENT AS THE COMPANY**

No company under the same management as the Company within the meaning of Section 370(1B) of the Companies Act, 1956 has made any public issue (including any rights issues to the public) during the last three (3) years and hence there are no pending investor grievances.

## **CHANGES IN AUDITORS DURING THE LAST THREE (3) FINANCIAL YEARS**

There has been no change in auditor during the last three (3) financial years.

## **CAPITALISATION OF RESERVES OR PROFITS**

Save and except as stated in the chapter titled “*Capital Structure*” beginning on page 66 of this Draft Red Herring Prospectus, our Company has not capitalized its reserves or profits during the last five (5) years.

## **REVALUATION OF ASSETS**

Our Company has not revalued its assets since incorporation.

## **SECTION VIII – ISSUE INFORMATION**

### **TERMS OF THE ISSUE**

The Equity Shares being issued pursuant to this Issue shall be subject to the provisions of the Companies Act, SEBI ICDR Regulations, SCRA, SCRR, the Memorandum and Articles of Association, SEBI Listing Regulations, the terms of the Red Herring Prospectus, the Abridged Prospectus, Bid cum Application Form, the Revision Form, the CAN/ the Allotment Advice 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, as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the GoI, NSE EMERGE, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, the RBI, the GoI, NSE EMERGE, the RoC and any other authorities while granting their approval for the Issue.

Please note that, in terms of SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015. All the Bidders (excluding Anchor Investors) applying in a public issue shall use only ASBA facility for making the payment. Further vide the said circular, Designated Intermediaries have also been authorised to collect the Bid cum Application Forms.

#### **Ranking of Equity Shares**

The Equity Shares being issued shall be subject to the provisions of the Companies Act, Memorandum and Articles of Association, and shall rank *pari passu* in all respects with the other existing shares of our Company including in respect of the rights to receive dividends. The Allottees of the Equity Shares in the Issue shall be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, see the section titled “*Main Provisions of Articles of Association*” beginning on page 365 of this Draft Red Herring Prospectus.

#### **Mode of payment of dividend**

Our Company shall pay dividends, if declared, to the shareholders of our Company in accordance with the provisions of the Companies Act, the Memorandum of Association and Articles of Association and SEBI Listing Regulations. The declaration and payment of dividends will be recommended by our Board of Directors and approved by our shareholders, at their discretion, and will depend on a number of factors, including but not limited to our earnings, capital requirements and overall financial condition. For further details, see the chapter/section titled “*Dividend Policy*” and “*Main Provisions of Articles of Association*” beginning on pages 187 and 365 respectively, of this Draft Red Herring Prospectus.

#### **Face Value and Issue Price**

The face value of each Equity Share is Rs. 10. The Issue Price of Equity Shares is Rs. [●] per Equity Share. The Anchor Investor Issue Price is Rs. [●] per Equity Share. The Issue Price shall be determined by our Company in consultation with the BRLM.

At any given point of time there shall be only one (1) denomination of Equity Shares, subject to applicable law.

The Price Band will be decided by our Company, in consultation with the BRLM. The minimum bid lot and the discount, if any, to the Retail Individual Bidders will be decided by our Company in consultation with the BRLM. The Price Band, the minimum bid lot and discount, if any, to the Retail Individual Bidders will be



published by our Company at least five (5) Working Days prior to the Bid/Issue Opening Date, in all editions of [●], an English daily newspaper, all editions of [●], a Hindi daily newspaper and Mumbai edition of [●], a Marathi newspaper (Marathi being the local language of Maharashtra, where our Registered Office is situated) each with wide circulation, and shall be made available to the NSE EMERGE for the purpose of uploading on their website. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price shall be pre-filled in the Bid cum Application Form available on the website of NSE EMERGE.

### **Compliance with SEBI rules and regulations**

Our Company shall comply with the applicable disclosure and accounting norms as specified by SEBI from time to time.

### **Rights of the Equity Shareholder**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders of our Company shall have the following rights:

- the right to receive dividend, if declared;
- the right to attend general meetings and exercise voting powers, unless prohibited by law;
- the right to vote on a poll either in person or by proxy;
- the right to receive offers for rights shares and be allotted bonus shares, if announced;
- the right to receive surplus on liquidation subject to any statutory and other preferential claims being satisfied;
- the right of free transferability of equity shares, subject to applicable law, including RBI rules and regulations, if any; and
- such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the terms of SEBI Listing Regulations and the Memorandum of Association and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association such as those dealing with voting rights, dividend, forfeiture and lien, transfer and transmission and / or consolidation / splitting, please refer section titled “*Main Provisions of Articles of Association*” beginning on page 365 of this Draft Red Herring Prospectus.

### **Minimum Application Value, Market Lot and Trading Lot**

Pursuant to Section 29 of the Companies Act, the Equity Shares shall be Allotted only in dematerialised form. As per SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed by our Company with the respective Depositories and the Registrar to the Issue:

- Agreement dated January 18, 2018 among CDSL, our Company and the Registrar to the Issue; and
- Agreement dated January 19, 2018 among NSDL, our Company and the Registrar to the Issue

Since trading of the Equity Shares is in dematerialised form, the tradable lot is [●] Equity Share. Allotment in this Issue will be only in electronic form and in multiples of [●] Equity Shares subject to a minimum Allotment of [●] Equity Shares to the successful Applicants in terms of SEBI circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012. For details of allocation and allotment, please refer to chapter titled “*Issue Procedure*” beginning on page 313 of this Draft Red Herring Prospectus.

## **Joint holders**

Subject to our Articles, where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as joint-tenants, with benefits of survivorship.

## **Jurisdiction**

Exclusive jurisdiction for the purpose of the Issue is with the competent courts/authorities at Thane, Maharashtra, India.

**The Equity Shares have not been and will not be registered under the U.S Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) within the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the U.S Securities Act and referred to in this Draft Red Herring Prospectus as “U.S. QIBs”, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as “QIBs”) in transactions exempt from, or not subject to, the registration requirements of the U.S Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the U.S 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.**

## **Nomination Facility to the Investor**

In accordance with Section 72 of the Companies Act read with Companies (Share Capital and Debentures) Rules, 2014, the sole or the First Bidder, along with other joint Bidder, may nominate any one person in whom, in the event of the death of sole bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 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 the equity share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/ transfer/ alienation of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Company’s Registered Office or to the Registrar to the Issue.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act shall upon production of such evidence, as may be required by the Board, elect either:

1. to register himself or herself as the holder of the equity shares; or
2. to make such transfer of the equity shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the equity shares, and if the notice is not complied with within a period of ninety (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 mode, 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 investors require changing the nomination, they are requested to inform their respective depository participant.

### **Bid Period**

Bidders may submit their Bids only during the Bid Period. The Bid/Issue Opening Date is [●] and the Bid/Issue Closing Date is [●].

### **Minimum Subscription**

In accordance with Regulation 106P (1) of SEBI ICDR Regulations, this Issue is 100% underwritten. Also, in accordance with explanation to Regulation 106P (1) of SEBI ICDR Regulations, the underwriting shall not be restricted to any minimum subscription level. This Issue is 100% underwritten and the details of the same have been disclosed under chapter titled "*General Information*" beginning on page 53 of this Draft Red Herring Prospectus.

As per section 39 of the Companies Act, if the "stated minimum amount" has not been subscribed and the sum payable on application is not received within a period of thirty (30) days from the date of issue of Prospectus, the application money has to be returned within such period as may be prescribed.

If our Company does not receive the subscription of 100% of the Issue through the Red Herring Prospectus including devolvement of Underwriters within sixty (60) days from the date of Bid/Issue Closing Date, our Company shall forthwith refund/unblock the entire subscription amount received, as the case maybe. If there is a delay beyond eight (8) days after our Company becomes liable to pay the amount, our Company shall pay interest prescribed under section 73 of the Companies Act and applicable law.

Further, in accordance with Regulation 106R of SEBI ICDR Regulations, the minimum number of Allottees in this Issue shall be fifty (50). In case the minimum number of prospective Allottees is less than fifty (50), no allotment will be made pursuant to this Issue and the amounts in the ASBA Account shall be unblocked forthwith and refunds to the Anchor Investor(s), if any, shall be made.

Further, in accordance with Regulation 106Q of SEBI ICDR Regulations the minimum application size in terms of number of specified securities shall not be less than Rs. 1,00,000 in value 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 Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

### **Arrangement for disposal of odd lot**

The trading of the equity shares will happen in the minimum contract size of [●] Equity Shares in terms of 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 NSE EMERGE.

## **Retail Discount**

The retail discount, if any, will be offered to Retail Individual Bidders at the time of making a Bid. Retail Individual Bidders bidding at a price within the Price Band can make payment at the Bid Amount (which will be less retail discount) at the time of making a Bid. Retail Individual Bidders bidding at the Cut-Off Price have to ensure payment at the Cap Price, less retail discount, at the time of making a Bid. Retail Individual Bidders must ensure that the Bid Amount does not exceed Rs. 2,00,000. Retail Individual Bidders must mention the Bid Amount while filling the Bid cum Application Form.

## **Restriction on Transfer of Equity Shares**

Except for, lock-in of pre-Issue equity shareholding, Promoters' minimum contribution and lock-in of Equity Shares Allotted to Anchor Investor for a period of thirty (30) days from the date of Allotment, as detailed in the chapter "*Capital Structure*" beginning on page 66 of this Draft Red Herring Prospectus and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. Further, there are no restrictions on transmission of Equity Shares and on their consolidation/splitting except as provided in the Articles of Association. Please refer section titled "*Main Provisions of Articles of Association*" beginning on page 365 of this Draft Red Herring Prospectus.

## **Issue of Equity Shares in dematerialized form in the Issue**

In accordance with SEBI ICDR Regulations and Section 29 of the Companies Act, Equity Shares will be issued and Allotted only in the dematerialized form to the Allottees. Allottees will 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**

As on the date of this Draft Red Herring Prospectus, there are no outstanding warrants, new financial instruments or any rights, which would entitle the shareholders of our Company, including our Promoters, to acquire or receive any Equity Shares after the Issue.

## **Withdrawal of the Issue**

Our Company, in consultation with the BRLM, reserves the right not to proceed with the Issue anytime after the Bid/Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the same newspapers, in which the pre-Issue advertisements were published, within two (2) days of the Bid/Issue Closing Date, providing reasons for not proceeding with the Issue and the NSE EMERGE shall be informed promptly in this regard. The BRLM, 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.

If our Company withdraws the Issue after the Bid/Issue Closing Date and thereafter determine that we will proceed with an initial public offering of the Company's Equity Shares, the Company shall file a fresh draft red herring prospectus with NSE EMERGE. Notwithstanding the foregoing, the Issue is also subject to obtaining (i) the final listing and trading approvals of the NSE EMERGE, which the Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC.

## **MIGRATION TO MAIN BOARD**

In accordance with the NSE circular dated November 26, 2012, our Company will have to be mandatorily listed and traded on the NSE EMERGE for a minimum period of two (2) years from the date of listing and only after

that it can migrate to the main board of the NSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter XB of SEBI ICDR Regulations. As per the provisions of the Chapter XB of SEBI ICDR Regulations, our Company may migrate to the main board of NSE from the NSE EMERGE on a later date, subject to the following:

- If the paid-up capital of the Company is likely to increase above Rs. 2,500 Lakhs by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favour of the proposal amount to at least two (2) 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 of NSE), we shall have to apply to NSE for listing our shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the main board.
- If the paid-up capital of the Company is more than Rs. 1000 Lakhs but below Rs. 2500 Lakhs, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favour of the proposal amount to at least two (2) times the number of votes cast by shareholders other than Promoter shareholders against the proposal.

## MARKET MAKING

The Equity Shares Issued through this Issue are proposed to be listed on NSE EMERGE, wherein Prabhudas Lilladher Private Limited is the Market Maker to this Issue and shall ensure compulsory Market Making for a minimum period of three (3) years from the date of listing on NSE EMERGE. For further details of the agreement entered into between our Company, the BRLM and the Market Maker please refer to chapter titled "General Information" beginning on page 53 of this Draft Red Herring Prospectus.

## ISSUE PROGRAMME

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

Particulars	Date
Issue opens on	[•]
Issue closes on	[•]
Finalisation of Basis of Allotment with NSE EMERGE	[•]
Initiation of Refunds/ un-blocking of ASBA Accounts	[•]
Credit of Equity Shares to demat accounts of the Allottees	[•]
Commencement of trading of the Equity Shares on NSE EMERGE	[•]

The above timetable is indicative and does not constitute any obligation on our Company or the BRLM.

Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on NSE EMERGE are taken within six (6) Working Days of the Bid/Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue Period by our Company, or any delays in receiving the final listing and trading approval from NSE EMERGE. The Commencement of trading of the Equity Shares will be entirely at the discretion of NSE EMERGE and in accordance with the applicable laws.

Bid Cum Application Forms and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (IST) during the Issue Period at the Bidding Centres mentioned in the Bid cum Application Form. On the Issue Closing Date Bid Cum Application Forms will be accepted only between 10.00 a.m. to 3.00 p.m. (IST) for retail and non-retail Bidders. The time for Bidding for Retail Individual Bidders on Bid/Issue Closing Date maybe extended in consultation with the BRLM, RTA and NSE EMERGE taking into account the total number of applications received up to the closure of timings

Due to the limitation of time available for uploading the Bid Cum Application Forms on the Bid/Issue Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/Issue Closing Date and, in any case, not later than 3.00 p.m. (IST) on the Bid/Issue Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid Cum Application Forms are received on the Bid/Issue Closing Date, as is typically experienced in public issues, some Bid Cum Application Forms may not get uploaded due to the lack of sufficient time. Such Bid Cum Application Forms that cannot be uploaded will not be considered for allocation under this Issue.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the BRLM is liable for any failure in uploading the Bid Cum Application Forms due to faults in any software/hardware system or otherwise.

In accordance with SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not allowed to withdraw or lower the size of their Bid Cum Application (in terms of the quantity of the Equity Shares or the Bid Cum Application amount) at any stage. Retail Individual Bidders can revise or withdraw their Bid Cum Application Forms prior to the Bid/Issue Closing Date. Allocation to Retail Individual Bidders, in this Issue will be on a proportionate basis. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/Issue Period. Allocation to the Anchor Investors will be on a discretionary basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid Cum Application Form, for a particular Bidder, the details as per the file received from NSE EMERGE may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid Cum Application Form, for a particular ASBA Bidder, the Registrar to the Issue shall ask the relevant SCSBs / RTAs / DPs / stock brokers, as the case may be, for the rectified data.

## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 106M (2) of Chapter XB of SEBI ICDR Regulations, whereby, an issuer's post issue face value capital exceeds Rs. 1,000.00 Lakhs but does not exceed Rs. 2,500.00 Lakhs, may issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being NSE EMERGE). For further details regarding the salient features and terms of this Issue, please refer chapters titled "*Terms of the Issue*" and "*Issue Procedure*" beginning on pages 303 and 313 respectively, of this Draft Red Herring Prospectus.

### Present Issue Structure

The present Issue of up-to 32,57,939 Equity Shares for cash at a price of Rs. [●] (including a premium of Rs. [●]) aggregating up-to Rs. [●] Lakhs by our Company. The Issue comprises a net offer to the public of up-to [●] Equity shares (the "Net Offer"). The Issue will constitute [●]% of the post- Issue paid-up Equity Share capital of our Company and the Net Issue will constitute [●]% of the post- Issue paid-up Equity Share capital of our Company.

The Issue comprises a reservation of up to [●] Equity Shares of Rs. 10 each for subscription by the designated Market Maker (the "Market Maker Reservation Portion").

Our Company may consider issuing up to 2,97,939 Equity Shares on a private placement basis for cash consideration aggregating up to Rs. [●] Lakhs, at its discretion in favour of such investors permissible under applicable laws, to be completed prior to the filing of the Red Herring Prospectus with the RoC (the "Pre-IPO Placement") and the details of which, if completed, will be included in the Red Herring Prospectus. If the Pre-IPO Placement is completed, the equity shares issued pursuant to the Pre-IPO Placement will be reduced from the Issue, subject to compliance with Rule 19(2)(b) of SCRR. Promoters and members of the Promoter Group may participate in the Pre-IPO Placement. Whether or not, the Promoters and members of the Promoter Group participate in the Pre-IPO Placement, they will not participate in the Issue.

Particulars of the Issue	Net Issue to Public	Market Maker Reservation Portion
<b>Number of Equity Shares available of allocation</b>	[●] Equity Shares	[●] Equity Shares
<b>Percentage of Issue Size available for allocation</b>	[●] % of the Issue size	[●] % of Issue size
<b>Basis of Allotment</b>	Proportionate subject to minimum allotment of [●] equity shares and further allotment in multiples of [●] equity shares each.  For further details please refer to "Basis of Allotment" under chapter titled "Issue Procedure" beginning on page 313 of this Draft Red Herring Prospectus.	Firm allotment
<b>Mode of Application</b>	Through ASBA process only	Through ASBA process only
<b>Minimum Application Size</b>	<b>For QIB and NIB</b> Such number of Equity Shares in multiples of [●] Equity Shares	[●] Equity Shares

	such that the Application size exceeds Rs. 2,00,000  <b>For Retail Individual Bidders</b> Such number of Equity shares where the application size is of atleast Rs. 1,00,000.	
<b>Maximum Application Size</b>	<b>For QIB and NIB:</b> Such number of Equity Shares in multiples of [●] Equity Shares such that the application size does not exceed the Issue size.  <b>For Retail Individuals:</b> Such number of Equity Shares and in multiples of [●] Equity Shares such that the application value does not exceed Rs.2,00,000.	[●] Equity Shares of face value of Rs. 10 each
<b>Mode of Allotment</b>	Dematerialized mode	Dematerialized mode
<b>Trading Lot</b>	[●] Equity Shares	[●] Equity Shares, however, the Market Maker may accept odd lots if any, in the market as permitted under SEBI ICDR Regulations.
<b>Terms of payment</b>	The entire application amount will be payable at the time of submission of the Bid Cum Application Form.	
<b>Application</b>	[●] Equity Shares and in multiples of [●] Equity Shares thereafter	

**Note:**

1. In case of joint applications, the Bid Cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Bidder would be required in the Bid Cum Application Form and such First Bidder would be deemed to have signed on behalf of the joint holders.
2. Applicants will be required to confirm and will be deemed to have represented to our Company, the BRLM, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares in this Issue.
3. SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB.

**Withdrawal of the Offer**

Our Company in consultation with the BRLM, reserves the right not to proceed with the Issue at any time before the Bid/Issue Opening Date, without assigning any reason thereof. Notwithstanding the foregoing, the Issue is also subject to obtaining the following:

- (i) The final listing and trading approvals of NSE EMERGE for listing and trading of the Equity Shares issued through this Issue, which the Company shall apply for after Allotment;
- (ii) The final RoC approval of the Prospectus after it is filed with the RoC.
- (iii) In case, our Company wishes to withdraw the Issue after the Bid/Issue Opening Date but before Allotment, our Company will give public notice giving reasons for withdrawal of the Issue. The public notice will appear in all editions of [●], an English daily newspaper, all editions of [●], a Hindi daily newspaper and Mumbai edition of [●], a Marathi newspaper (Marathi being the local language of Maharashtra, where our Registered Office is situated) each with wide circulation.



The BRLM, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts / refund the amount, as the case maybe, within one (1) 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 NSE EMERGE will also be informed promptly about the same. If our Company withdraws the Issue after the Bid/ Issue Closing Date and subsequently decides to undertake a public issue of equity shares, our Company will file a fresh Issue draft red herring prospectus with NSE EMERGE where the equity shares may be proposed to be listed.

Bid Cum Application Forms and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (IST) during the Issue Period at the Bidding Centres mentioned in the Bid cum Application Form. On the Bid/Issue Closing Date, the Bid Cum Application Forms will be accepted only between 10.00 a.m. to 3.00 p.m. (IST) for Retail and non-Retail Bidders. The time for Bidding for Retail Individual Bidders on Bid/Issue Closing Date maybe extended in consultation with the BRLM, RTA and NSE EMERGE taking into account the total number of applications received up to the closure of timings

Due to the limitation of time available for uploading the Bid Cum Application Forms on the Bid/Issue Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/Issue Closing Date and, in any case, not later than 3.00 p.m. (IST) on the Bid/Issue Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid Cum Application Forms are received on the Bid/Issue Closing Date, as is typically experienced in public issues, some Bid Cum Application Forms may not get uploaded due to the lack of sufficient time. Such Bid Cum Application Forms that cannot be uploaded will not be considered for allocation under this Issue.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the BRLM is liable for any failure in uploading the Bid Cum Application Forms due to faults in any software/hardware system or otherwise.

## ISSUE PROCEDURE

*All Bidders should review the General Information Document for Investing in public issues prepared and issued in accordance with the SEBI circular no. CIR/CFD/DIL/12/2013 dated October 23, 2013 notified by SEBI (the “General Information Document”) included below under section “Part B – General Information Document”, which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, SCRA, SCRR and SEBI ICDR Regulations. The General Information Document has been updated to include reference to the SEBI FPI Regulations and certain notified provisions of the Companies Act, to the extent applicable to a public issue. The General Information Document is also available on the websites of the NSE EMERGE and the BRLM. Please refer to the relevant portions of the General Information Document which are applicable to the Issue.*

*All Designated Intermediaries in relation to the Issue should ensure compliance with SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, as amended and modified by SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016, in relation to clarifications on streamlining the process of public issue of equity shares and convertibles.*

*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 Syndicate Members would not be liable for any amendment, modification or change in applicable law, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and the Prospectus.*

*Pursuant to the SEBI (Issue of Capital and Disclosure Requirements) (Fifth Amendment) Regulations, 2015, the ASBA process has become mandatory for all investors excluding Anchor Investors w.e.f. January 1, 2016 and it allows the registrar, share transfer agents, depository participants and stock brokers to accept Bid cum Application forms.*

### Part – A

#### Book Building Procedure

Pursuant to Rule 19(2)(b)(i) of the SCRR, this Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. This Issue is being made through the Book Building Process, wherein upto 50% of the Net Issue shall be allocated to QIBs on a proportionate basis, provided that our Company in consultation with the BRLM, may allocate up to 60% of the QIB portion to Anchor Investors at the Anchor Investor Issue Price, on a discretionary basis, of which at least one third will be available for allocation to domestic Mutual Funds. Further, 5% of the QIB Portion (excluding the Anchor Investor Portion) will be available for allocation on a proportionate basis to Mutual Funds only. The remainder will be available for allocation on a proportionate basis to all QIBs including Mutual Funds, subject to valid Bids being received at or above the Issue Price.

Further, not less than 15% of the Net Issue will be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Net Issue will be available for allocation on a proportionate basis to Retail Individual Bidders, in accordance with SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price such that, subject to availability of Equity Shares, each Retail Individual Bidder shall be Allotted not less than the minimum Bid Lot, and the remaining Equity Shares, if available, shall be Allotted to all Retail Individual Bidders on a proportionate basis.

Under subscription if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM and the NSE EMERGE.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the NSE EMERGE.

Investors should note that the Equity Shares will be allotted to all successful Bidders only in dematerialized form. **The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID and PAN, shall be treated as incomplete and will be rejected.** Bidders will not have the option of being allotted Equity Shares in physical form.

### **Bid cum Application Form**

All Bidders (other than Anchor Investors) are required to mandatorily participate in the Issue only through the ASBA process. Anchor Investors are not permitted to participate in the Issue through the ASBA process. Copies of the ASBA Forms and the Abridged Prospectus will be available with the Designated Intermediaries at the Bidding Centres and the Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available on the website of the NSE EMERGE, namely the NSE ([www.nseindia.com/emerge/](http://www.nseindia.com/emerge/)) at least one (1) day prior to the Bid/Issue Opening Date. Anchor Investor Bid Cum Application Forms shall be available at the office of the BRLM at least one (1) day prior to the Anchor Investor Bid/Issue Period.

All Bidders (other than Anchor Investors) shall ensure that their Bids are made on ASBA Forms bearing the stamp of a Designated Intermediary and submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. Additionally, ASBA Bidders must provide bank account details and authorization to block funds in the relevant space provided in the ASBA Form, and ASBA Forms that do not contain such details are liable to be rejected. ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance of an amount equivalent to the full Bid Amount that can be blocked by the SCSB at the time of submitting the Bid.

The prescribed colour of the Bid-cum-Application Form for the various categories is as follows:

<b>Category</b>	<b>Colour of Bid cum Application Form *</b>
Resident Indians including resident QIBs, Non- Institutional Investors, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents including FPIs and Eligible NRIs, applying on a repatriation basis	Blue
Anchor Investors**	White

*\*Excluding electronic Bid cum Application Form*

*\*\*Bid cum Application Forms for Anchor Investors shall be available at the office of the BRLM*

### **Who can Bid**

In addition to the category of Bidders set forth under chapter titled “*Issue Procedure - Part – B- General Information Document for Investing in Public Issues – Category of Investors Eligible to Participate in an Issue*” beginning on page 335 of this Draft Red Herring Prospectus, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- FPIs other than Category III foreign portfolio investor;

- Category III foreign portfolio investors, which are foreign corporates or foreign individuals only under the Non Institutional Investors (NIIs) category;
- Scientific and/or industrial research organisations authorised in India to invest in the Equity Shares.
- Any other person eligible to Bid in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

**The Equity Shares have not been and will not be registered under the U.S Securities Act or any other applicable law of the United States and, unless so registered, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) within the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the U.S Securities Act and referred to in this Draft Red Herring Prospectus as “U.S. QIBs”, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as “QIBs”) in transactions exempt from, or not subject to, the registration requirements of the U.S Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulations S under the U.S 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.**

#### **Participation by associates/ affiliates of Book Running Lead Manager and Syndicate Members**

The BRLM and the Syndicate Members shall not be allowed to subscribe to the Equity Shares in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Members may subscribe to or purchase the Equity Shares in the Issue, including in the QIB Portion or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the BRLM and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

The BRLM and any persons related to the BRLM (other than the Mutual Fund sponsored by entities related to BRLM), or the Promoters and the Promoter Group cannot apply in the Issue under the Anchor Investor Portion.

#### **Bids by eligible NRIs**

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External (“NRE”) accounts, or Foreign Currency Non-Resident (“FCNR”) ASBA Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary (“NRO”) accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour).

Pursuant to the provisions of the FEMA regulations, investments by NRIs under the Portfolio Investment Scheme (“**PIS**”) is subject to certain limits, i.e., 10.00% of the paid-up equity share capital of the company. Such limit for NRI investment under the PIS route can be increased by passing a board resolution, followed by a special resolution by the shareholders, subject to prior intimation to the RBI. Our Company has not passed any resolution to increase this limit and hence investments by NRIs under the PIS will be subject to a limit of 10% of the paid-up equity capital of the Company.

### **Bids by FPIs and FIIs**

In terms of SEBI FPI Regulations, an FII which holds a valid certificate of registration from SEBI shall be deemed to be a registered FPI until the expiry of the block of three (3) years for which fees have been paid as per SEBI FII Regulations. Accordingly, such FIIs can participate in this Issue in accordance with Schedule 2 of the FEMA Regulations. An FII shall not be eligible to invest as an FII after registering as an FPI under SEBI FPI Regulations. However, existing FIIs and their sub accounts may continue to buy, sell or deal in securities till the expiry of their existing SEBI registration. Further, a QFI who had not obtained a certificate of registration as an FPI could only continue to buy, sell or otherwise deal in securities until January 6, 2015. Hence, such QFIs who have not registered as FPIs under SEBI FPI Regulations shall not be eligible to participate in this Issue.

In terms of SEBI FPI Regulations, the purchase of Equity Shares and total holding by a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the shareholders of our Company. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limits an FII or sub account in our Company is 10% and 24% of the total paid-up Equity Share capital of our Company, respectively. Our Company through its Board resolution dated November 20, 2017 and as approved by our shareholders in their meeting on December 18, 2017, has increased the limit of FII / FPI shareholding in our Company up to 49% of the post issue Equity Share capital of our Company.

As per the circular issued by SEBI on November 24, 2014, these investment restrictions shall also apply to subscribers of offshore derivative instruments (“**ODIs**”). Two or more subscribers of ODIs having a common beneficial owner shall be considered together as a single subscriber of the ODI. In the event an investor has investments as a FPI and as a subscriber of ODIs, these investment restrictions shall apply on the aggregate of the FPI and ODI investments held in the underlying company.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the GoI from time to time. FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for non-residents. FPIs are required to Bid through the ASBA process to participate in the Issue.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of SEBI FPI Regulations, an FPI, other than Category III Foreign Portfolio Investors and unregulated broad based funds, which are classified as Category II Foreign Portfolio Investors by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative

instruments (as defined under SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying security) directly or indirectly, only if (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority. Further, pursuant to a circular dated November 24, 2014 issued by SEBI, FPIs are permitted to issue offshore derivative instruments only to subscribers that (i) meet the eligibility conditions set forth in Regulation 4 of SEBI FPI Regulations; and (ii) do not have "opaque structures", as defined under SEBI FPI Regulations.

In case of bids made by FPIs, a verified true copy of the certificate of registration issued under SEBI FPI Regulations is required to be attached along with the Bid cum Application form.

### **Bids by SEBI registered VCFs, AIFs and FVCIs**

SEBI VCF Regulations and SEBI FVCI Regulations inter alia prescribe the investment restrictions on the VCFs and FVCIs registered with SEBI. Further, SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.

Accordingly, the holding by any individual VCF registered with SEBI in one (1) venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

Category I and II AIFs cannot invest more than 25% of their corpus in one (1) investee company. A category III AIF cannot invest more than 10% of their investible funds in one (1) investee company. A venture capital fund registered as a category I AIF, as defined in SEBI AIF Regulations, cannot invest more than 1/3<sup>rd</sup> 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 SEBI AIF Regulations shall continue to be regulated by SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of SEBI AIF Regulations.

Further, according to SEBI ICDR Regulations, the shareholding of VCFs and category I AIFs or FVCI held in a company prior to making an initial public offering would be exempt from lock-in requirements provided that such equity shares held are locked in for a period of at least one (1) year from the date of purchase by such VCF or category I AIFs or FVCI.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

### **Bids by provident funds/ pension funds**

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of Rs. 2,500 Lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject their Bid, without assigning any reason thereof.

### **Bids by limited liability partnerships**

In case of Bids 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 Bid cum Application Form. Failing this, our Company reserves the right to reject their Bid without assigning any reason thereof.

### **Bids under Power of Attorney**

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, FPIs, Mutual Funds, Eligible QFIs, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India or the National Investment Fund, provident funds with a minimum corpus of Rs. 2,500 Lakhs and pension funds with a minimum corpus of Rs. 2,500 Lakhs (in each case, subject to applicable law and in accordance with their respective constitutional documents), 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, as applicable must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject their Bid in whole or in part, in either case, without assigning any reasons thereof.

### **Bids by SCSBs**

SCSBs participating in the Issue are required to comply with the terms of SEBI circulars dated September 13, 2012 and January 2, 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 ASBA applications.

### **Bids by banking companies**

In case of Bids made by banking companies registered with the RBI, certified copies of: (i) the certificate of registration issued by the RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid by a banking company, without assigning any reason therefor.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "Banking Regulation Act"), and the Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company or 10% of the banks' own paid-up share capital and reserves, whichever is less. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

### **Bids by insurance companies**

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject their Bid without assigning any reason thereof.

Insurance companies participating in this Issue, shall comply with all applicable regulations, guidelines and circulars issued by IRDA from time to time including the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 ("IRDA Investment Regulations").

## **Bids by OCBs**

In accordance with RBI regulations, OCBs cannot participate in this Issue.

## **Bids by Mutual Funds**

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made. In case of a mutual fund, a separate Bid can be made in respect of each scheme of the mutual fund registered with SEBI and such Bids in respect of more than one (1) scheme of the mutual fund will not be treated as multiple Bids, provided, that the Bids clearly indicate the scheme concerned for which the Bid has been made.

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be attached with the Bid cum Application Form. Failing this, our Company reserves the right to reject their Bid in whole or in part, in either case, without assigning any reason thereof.

No mutual fund scheme shall invest more than 10% of its net asset value in the equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

## **Bids by Anchor Investors**

In accordance with SEBI ICDR Regulations, the key terms for participation by Anchor Investors are provided below.

- (i) Anchor Investor Bid Cum Application Forms will be made available for the Anchor Investor Portion at the office of the BRLM.
- (ii) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds Rs. 1,000 Lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a mutual fund, separate Bids by individual schemes of a mutual fund will be aggregated to determine the minimum application size of Rs. 1,000 Lakhs.
- (iii) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price.
- (iv) Bidding for Anchor Investors will open one (1) Working Day before the Bid/Issue Opening Date, i.e., the Anchor Investor Bid/Issue Period, and will be completed on the same day.
- (v) Our Company in consultation with the BRLM, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than:
  - (a) maximum of two (2) Anchor Investors, where allocation under the Anchor Investor Portion is up to Rs.1,000 Lakhs; and
  - (b) minimum of two (2) and maximum of fifteen (15) Anchor Investors, where the allocation under the Anchor Investor Portion is more than Rs. 1,000 Lakhs but up to Rs. 25,000 Lakhs, subject to a minimum Allotment of Rs. 500.00 lac per Anchor Investor;



- (vi) Allocation to Anchor Investors will be completed within the Anchor Investor Bid/Issue Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLM before the Bid/Issue Opening Date, through intimation to NSE EMERGE.
- (vii) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
- (viii) If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors on the Anchor Investor Pay-in Date specified in the CAN. If the Issue Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Issue Price.
- (ix) Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of thirty (30) days from the date of Allotment.
- (x) The BRLM, our Promoter, members of the Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the BRLM) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the BRLM, and made available as part of the records of the BRLM for inspection by SEBI.
- (xi) Bids made by QIBs under both the Anchor Investor Portion and the Net QIB Portion will not be considered multiple Bids.
- (xii) For more information, please refer to chapter titled *“Issue Procedure - Part B: General Information Document for Investing in Public Issues - Section 7: Allotment Procedure and Basis of Allotment – Allotment to Anchor Investor”* beginning on page 356 of this Draft Red Herring Prospectus.

#### ***Payment by Anchor Investors into the Escrow Account***

Anchor Investors are not permitted to Bid in the Issue through the ASBA process. Instead, Anchor Investors should transfer the Bid Amount (through direct credit, RTGS or NEFT) for payment of their Bid Amounts in the Escrow Account in favour of:

- a. In case of resident Anchor Investors: “[●]”
- b. In case of Non-Resident Anchor Investors: “[●]”

Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Bankers to the Issue and the Registrar to the Issue to facilitate collections from the Bidders.

***The above information is given for the benefit of Bidders. Our Company, our Directors, the officers of our Company and the members of the Syndicate are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the number of Equity Shares that can be held by them under applicable limits under laws or regulations.***

## Pre- Issue Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company shall, after registering the Red Herring Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by SEBI ICDR Regulations, in all editions of [●], an English daily newspaper, all editions of [●], a Hindi daily newspaper and Mumbai edition of [●], a Marathi newspaper (Marathi being the local language of Maharashtra, where our Registered Office is situated) each with wide circulation. In the pre-Issue advertisement, we shall state Anchor Investor Bid Period, the Bid/Issue Opening Date, the Bid/Issue Closing Date and the QIB Bid/Issue Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, shall be in the format prescribed in Part A of Schedule XIII of SEBI ICDR Regulations.

## Information for Bidders

In addition to the instructions provided to the Bidders set forth in the sub-section “*Issue Procedure – Part B – General Information Document for Investing in Public Issues*” beginning on page 330 of this Draft Red Herring Prospectus, Bidders are requested to note the following additional information in relation to the Issue.

1. The relevant Designated Intermediary will enter each Bid option into the electronic Bidding system as a separate Bid and generate a TRS, for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three (3) TRS for each Bid cum Application Form. It is the Bidder’s responsibility to obtain the TRS from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such TRS will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier TRS and may request for a revised TRS from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.
2. In relation to electronic registration of Bids, the permission given by NSE EMERGE to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the BRLM are cleared or approved by NSE EMERGE; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Draft Red Herring Prospectus or the Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on NSE EMERGE.
3. In the event of an upward revision in the Price Band, Retail Individual Bidders who had Bid at Cut-off Price could either (i) revise their Bid or (ii) shall make additional payment based on the cap of the revised Price Band (such that the total amount i.e., original Bid Amount plus additional payment does not exceed Rs. 200,000 if the Bidder wants to continue to Bid at Cut-off Price). The revised Bids must be submitted to the same Designated Intermediary to whom the original Bid was submitted. If the total amount (i.e., the original Bid Amount plus additional payment) exceeds Rs. 200,000, the Bid will be considered for allocation under the Non-Institutional Portion. If, however, the Retail Individual Bidder does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the Retail Individual Bidder and the Retail Individual Bidder is deemed to have approved such revised Bid at Cut-off Price.

4. In the event of a downward revision in the Price Band, Retail Individual Bidders who have bid at Cut-off Price may revise their Bid; otherwise, the excess amount paid at the time of Bidding would be unblocked after Allotment is finalised.
5. Any revision of the Bid shall be accompanied by instructions to block the incremental amount, if any, to be paid on account of the upward revision of the Bid.

### **Signing of the Underwriting Agreement and the RoC Filing**

Our Company, the BRLM and the Syndicate intend to enter into an Underwriting Agreement after the finalisation of the Issue Price. After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which then would be termed as the Prospectus. The Prospectus will contain details of the Issue Price, the Anchor Investor Issue Price, Issue size, and underwriting arrangements and will be complete in all material respects.

### **General Instructions**

In addition to the general instructions provided in the sub-section titled “*Part B – General Information Document for Investing in Public Issues*” beginning on page 330 of this Draft Red Herring Prospectus, Bidders are requested to note the additional instructions provided below.

Do’s:

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
4. Ensure that the details about the PAN, DP ID and Client ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
5. Ensure that your Bid cum Application Form, bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time, except in case of electronic forms;
6. With respect to the ASBA Bids, ensure that the Bid cum Application Form is signed by the account holder in case the Applicant is not the account holder. Ensure that you have mentioned the correct ASBA Account number in the ASBA Form;
7. All Bidders (other than Anchor Investors) should Bid through the ASBA process only;
8. With respect to Bids by SCSBs, ensure that you have a separate account in your own name with any other SCSB having clear demarcated funds for applying under the ASBA process and that such separate account (with any other SCSB) is used as the ASBA Account with respect to your Bid;
9. Ensure that you request for and receive a stamped TRS of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary as proof of registration of the Bid cum Application Form;

10. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to any of the Designated Intermediaries;
11. With respect to Anchor Investor Bids, ensure that the full Bid Amount is paid for the Bids; and with respect to ASBA Bids, ensure funds equivalent to the Bid Amount are blocked;
12. Instruct your respective banks to not release the funds blocked in the ASBA Account under the ASBA process;
13. Submit revised Bids to the same Designated Intermediary, as applicable, through whom the original Bid was placed and obtain a revised TRS;
14. Except for Bids (i) on behalf of the central or state governments and the officials appointed by the courts, who, in terms of SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market and (ii) Bids by persons resident in the state of Sikkim, who, in terms of SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the central or the state government and officials appointed by the courts and for Bidders residing in the state of Sikkim is subject to (a) the demographic details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the demographic details evidencing the same;
15. Ensure that the Demographic Details (as defined herein below) are updated, true and correct in all respects;
16. Ensure that thumb impressions and signatures other than in the languages specified in the eighth schedule to the constitution of India are attested by a magistrate or a notary public or a special executive magistrate under official seal;
17. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
18. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
19. Ensure that the category and sub-category under which the Bid is being submitted is clearly specified in the Bid cum Application Form;
20. Ensure that in case of Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents are submitted;
21. If you are resident outside India, ensure that Bids by you are in compliance with applicable foreign and Indian laws;
22. Ensure that the DP ID, the Client ID and the PAN mentioned in the Bid cum Application Form and entered into the electronic bidding of the NSE EMERGE by the relevant Designated Intermediary, match with the DP ID, Client ID and PAN available in the Depository database;

23. Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online system of NSE EMERGE by the relevant Designated Intermediary, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form;
24. In relation to the ASBA Bids, ensure that you use the ASBA Form bearing the stamp of the relevant Designated Intermediary (in the Specified Locations) (except in case of electronic forms);
25. Ensure that you tick the correct Bidder category, as applicable, in the Bid cum Application Form to ensure proper upload of your Bid in the online IPO system of the NSE EMERGE;
26. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Red Herring Prospectus;
27. Ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one (1) branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in>). Ensure that you have mentioned the correct ASBA Account number in the Bid cum Application Form;
28. Ensure that the entire Bid Amount is paid at the time of submission of the Bid or in relation to the ASBA Bids, ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form; and
29. In relation to the ASBA Bids, ensure that you receive TRS from the Designated Branch of the Designated Intermediary, for the submission of your ASBA Form.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not Bid on another Bid cum Application Form after you have submitted a Bid to a Designated Intermediary;
4. Do not pay the Bid Amount in cash, cheque, by money order or by postal order or by stock invest or any mode other than stated herein;
5. Do not send ASBA Forms by post, instead submit the same to the Designated Intermediary only;

6. Do not submit the Bid cum Application Forms with the Banker(s) to the Issue (assuming that such bank is not a SCSB), our Company, the BRLM or the Registrar to the Issue (assuming that the Registrar to the Issue is not one of the RTAs);
7. Do not Bid on a physical ASBA Form that does not have the stamp of the Designated Intermediary;
8. Anchor Investors should not Bid through the ASBA process;
9. If you are a QIB or Non-Institutional Bidder, do not Bid at Cut-off Price;
10. If you are a Retail Individual Bidders, do not Bid for a Bid Amount exceeding Rs. 200,000;
11. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Issue size and/or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
12. Do not submit the GIR number instead of the PAN;
13. As an ASBA Bidder, do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available to be blocked in the relevant ASBA Account;
14. As an ASBA Bidder, do not instruct your respective banks to release the funds blocked in the ASBA Account;
15. Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
16. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;
17. If you are a QIB, do not submit your Bid after 3.00 pm on the Bid/Issue Closing Date for QIBs;
18. If you are a Non-Institutional Bidder or Retail Individual Bidder, do not submit your Bid after 3.00 pm on the Bid/Issue Closing Date;
19. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872, (other than minors having valid depository accounts as per Demographic Details provided by the Depositories);
20. If you are a QIB or a Non-Institutional Bidder, do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage;
21. Do not submit more than five (5) ASBA Forms per ASBA Account;
22. Do not submit ASBA Bids to a member of the Syndicate at a location other than the Specified Locations or to the brokers other than the Registered Brokers at a location other than the Broker Centres; and
23. Do not submit ASBA Bids to a Designated Intermediary at a Bidding Centre unless the SCSB where the ASBA Account is maintained, as specified in the ASBA Form, has named at least one (1) branch in the relevant Bidding Centre, for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in>).

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

### **Instructions for completing the Bid Cum Application Form**

In addition to the instructions for completing the Bid cum Application Form provided in the sub-section “*Part B – General Information Document for Investing in Public Issues – Applying in the Issue – Instructions for filling the Bid cum Application Form/ Application Form*” beginning on page 336 of this Draft Red Herring Prospectus, Bidders are requested to note the additional instructions provided below.

1. Thumb impressions and signatures other than in the languages specified in the eighth schedule in the constitution of India must be attested by a magistrate or a notary public or a special executive magistrate under official seal. Bids must be in single name or in joint names (not more than three (3), and in the same order as their Depository Participant details).
2. ASBA Bids must be made in a single name or in joint names (not more than three (3), and in the same order as their details appear with the Depository Participant), and completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained in the Red Herring Prospectus and in the ASBA Form.
3. Bids on a repatriation basis shall be in the names of FIIs or FPIs but not in the names of minors, OCBs, firms or partnerships and foreign nationals.

### **Designated Date and Allotment**

- (a) Our Company will ensure that the Allotment and credit to the successful Bidder’s depository account will be completed within six (6) Working Days, or such period as may be prescribed by SEBI, from the Bid/Issue Closing Date or such other period as may be prescribed.
- (b) Equity Shares will be issued and Allotment shall be made only in the dematerialised form to the Allottees.
- (c) Allottees will have the option to re-materialise the Equity Shares so Allotted as per the provisions of the Companies Act and the Depositories Act.

### **Grounds for Technical Rejections**

In addition to the grounds for rejection of Bids on technical grounds as provided in the sub-section “*Part B – General Information Document for Investing in Public Issues – Issue Procedure in Book Built Issue – Rejection and Responsibility for Upload of Bids – Grounds for Technical Rejections*” beginning on page 353 of this Draft Red Herring Prospectus, Bidders are requested to note that Bids may be rejected on the following additional technical grounds:

1. Bid submitted without payment of the entire Bid Amount;
2. Bids submitted by Bidders which do not contain details of the Bid Amount and the bank account details in the ASBA Form;
3. Bids submitted on a plain paper;

4. Bids by HUFs not mentioned correctly as given in the chapter titled “*Issue Procedure - Part A – Who can Bid*” beginning on page 314 of this Draft Red Herring Prospectus;
5. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
6. Bids submitted without the signature of the First Bidder or sole Bidder;
7. With respect to ASBA Bids, the ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;
8. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are ‘suspended for credit’ in terms of SEBI circular (reference number: CIR/MRD/DP/ 22 /2010) dated July 29, 2010;
9. GIR number furnished instead of PAN;
10. Bids by Retail Individual Bidders with Bid Amount for a value of more than Rs. 2,00,000;
11. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
12. Bids by Bidders (who are not Anchor Investors) accompanied by cheques or demand drafts;
13. Bids accompanied by stock invest, money order, postal order or cash;
14. Bids uploaded by QIBs after 4.00 pm on the QIB Bid/Issue Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. (IST) on the Bid/Issue Closing Date, and Bids by Retail Individual Bidders uploaded after 5.00 p.m. (IST) on the Bid/Issue Closing Date, unless extended by NSE EMERGE.

### **Depository Arrangements**

The Allotment of the Equity Shares in the Issue shall be only in a de-materialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). In this context, two agreements had been signed among our Company, the respective Depositories and the Registrar to the Issue:

1. Agreement dated January 19, 2018 among NSDL, our Company and the Registrar to the Issue.
2. Agreement dated January 18, 2018 among CDSL, our Company and Registrar to the Issue.

### **Undertakings by our Company**

We undertake as follows:

1. That if our Company does not proceed with the Issue after the Bid/Issue Closing Date, the reason thereof shall be given as a public notice which will be issued by our Company within two (2) days of the Bid/Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. NSE EMERGE on which the Equity Shares are proposed to be listed shall also be informed promptly;



2. That if our Company withdraws the Issue after the Bid/Issue Closing Date, our Company shall be required to file a fresh draft red herring prospectus with NSE EMERGE/ RoC/ SEBI, in the event our Company subsequently decides to proceed with the Issue;
3. The Equity Shares proposed to be issued by it in the Issue shall be allotted and credited to the successful bidders within the specified time in accordance with the instruction of the Registrar to the Issue;
4. That the complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;
5. If the Allotment is not made, application monies will be refunded/unblocked in the ASBA Accounts within fifteen (15) days from the Bid/Issue Closing Date or such lesser time as specified by SEBI, failing which interest will be due to be paid to the Bidders at the rate of 15% per annum for the delayed period;
6. That where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the Bidder within fifteen (15) days from the Bid/Issue Closing Date, or such lesser time as specified by SEBI, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
7. That the Promoters' contribution in full, if required, shall be brought in advance before the Issue opens for subscription;
8. That the allotment of equity shares/ refund confirmation to the Eligible NRIs shall be despatched within specified time;
9. That funds required for making refunds to unsuccessful Bidders as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;
10. That our Company shall not have recourse to the Issue Proceeds until the final approval for listing and trading of the Equity Shares from NSE SME where listing is sought has been received.
11. That no further issue of Equity Shares shall be made until the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are refunded on account of non-listing, under-subscription etc.
12. That adequate arrangements shall be made to collect all Bid Cum Application Forms; and
13. That it shall comply with such disclosure and account norms specified by SEBI from time to time.

#### **Utilization of Net Proceeds of the Issue**

The Board of Directors of our Company certifies that:

1. all monies received out of the Issue shall be transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act;
2. details of all monies utilised out of the Issue referred in sub-item 1, shall be disclosed, and continue to be disclosed till the time any part of the Issue proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised;

3. details of all unutilised monies out of the Issue referred in sub-item 1, if any, shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilised monies have been invested;
4. the utilization of monies received under the Promoters' contribution, if any, shall be disclosed, and continue to be disclosed till the time any part of the Issue proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and
5. the details of all unutilised monies out of the funds received under the Promoters' contribution, if any, shall be disclosed under a separate head in the balance sheet of our Company indicating the form in which such unutilised monies have been invested.

Our Company declares that all monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act.

The decisions with respect to the Price Band, the minimum Bid lot, reservations in the Issue, rupee amount of the retail discount, revision of Price Band and Issue Price, will be taken by our Company, in consultation with the BRLM.

#### **Withdrawal of the Issue**

Our Company in consultation with the BRLM, reserves the right not to proceed with the entire or portion of the Issue for any reason at any time after the Bid/Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the same newspapers, in which the pre- Issue advertisements were published, within two (2) days of the Bid/Issue Closing Date, providing reasons for not proceeding with the Issue. Further, NSE EMERGE shall be informed promptly in this regard by our Company. The BRLM, 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. In the event of withdrawal of the Issue and subsequently, plans of a fresh offer by our Company, a fresh draft red herring prospectus will be submitted again to SEBI.

Notwithstanding the foregoing, this Issue is also subject to obtaining the final listing and trading approvals of NSE EMERGE, which our Company shall apply for after Allotment and within six (6) Working Days of the Bid/Issue Closing Date or such other period as may be prescribed, and the final RoC approval of the Prospectus after it is filed with the RoC and NSE EMERGE.

## **PART B - General Information Document for Investing In Public Issues**

*All Bidders should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the SEBI circular no. CIR/CFD/DIL/12/2013 dated October 23, 2013 notified by SEBI (the “General Information Document”) included below under “Part B – General Information Document”, which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and SEBI ICDR Regulations. The General Information Document has been updated to reflect amendments to SEBI ICDR Regulations including reference to SEBI FPI Regulations and certain notified provisions of the Companies Act, to the extent applicable to a public issue. The General Information Document is also available on the websites of NSE EMERGE and the BRLM. Please refer to the relevant provisions of the General Information Document, which are applicable to the Issue.*

*Our Company and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of the Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus.*

### **SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)**

This document is applicable to the public issues undertaken through the Book-Building Process. The purpose of the “General Information Document for Investing in Public Issues” is to provide general guidance to potential Bidders/Applicants in IPOs and FPOs, on the processes and procedures governing IPOs and FPOs, undertaken in accordance with the provisions of SEBI ICDR Regulations. Bidders/Applicants should note that investment in equity and equity related securities involves risk and Bidder/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 will be set out in the Red Herring Prospectus (“RHP”)/Prospectus that will be filed by the Issuer with the Registrar of Companies (“RoC”).

Bidders/Applicants should carefully read the entire RHP/ Prospectus and the Bid cum Application Form/ Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the RHP/ Prospectus, the disclosures in the RHP/ Prospectus shall prevail. The RHP/ Prospectus of the Issuer is available on the website of NSE EMERGE, on the website(s) of the BRLM(s) to the Issue and on the website of Securities and Exchange Board of India (“SEBI”) at [www.sebi.gov.in](http://www.sebi.gov.in).

### **SECTION 2: BRIEF INTRODUCTION TO IPOs/ FPOs**

#### **2.1. Initial public offer (IPO)**

An IPO means an offer of specified securities by an unlisted issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an issuer is inter-alia required to comply with the eligibility requirements of either Regulation 26(1) or Regulation 26(2) of SEBI ICDR Regulations. For details of compliance with the eligibility requirements by the Issuer, Bidders/Applicants may refer to the RHP/Prospectus.

An issuer may also undertake IPO under of chapter XB of SEBI ICDR Regulations, wherein as per:

- Regulation 106M (1): An issuer whose post- issue face value capital does not exceed Rs. 1,000 Lakhs 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 Rs. 1,000 Lakhs and up to Rs. 2,500 Lakhs, may also issue specified securities in accordance with provisions of this Chapter.

The present Issue is being made under Regulation 106M (2) of Chapter XB of SEBI ICDR Regulation.

## **2.2. Further public offer (FPO) – Not applicable to us**

An FPO means an offer of specified securities by a listed issuer to the public for subscription and may include Offer for Sale of specified securities to the public by any existing holder of such securities in a listed Issuer.

For undertaking an FPO, the Issuer is inter-alia required to comply with the eligibility requirements in terms of Regulation 26/ Regulation 27 of SEBI ICDR Regulations. For details of compliance with the eligibility requirements by the Issuer, Bidders/Applicants may refer to the RHP/Prospectus.

## **2.3. Other Eligibility Requirements**

In addition to the eligibility requirements specified in paragraphs 2.1 and 2.2, an issuer proposing to undertake an IPO or an FPO is required to comply with various other requirements as specified in SEBI ICDR Regulations, the Companies Act, 2013, the Companies Act, 1956 (to the extent applicable), 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 106P of SEBI ICDR Regulations, issue has to be 100% underwritten and the BRLM has to underwrite at least 15% of the total issue size;
- (b) In accordance with Regulation 106R of SEBI ICDR Regulations, total number of proposed Allottees in the issue shall be greater than or equal to fifty (50), otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight (8) 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 (8) 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 106O SEBI ICDR Regulations, Company is not required to file any offer document with SEBI nor has SEBI issue any observations on the offer document. The BRLM 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 NSE EMERGE and the Registrar of Companies;
- (d) In accordance with Regulation 106V of SEBI ICDR Regulations, the BRLM has to ensure compulsory market making for a minimum period of three (3) years from the date of listing of Equity Shares offered in the issue;
- (e) The company should have track record of at least three (3) years;
- (f) The company should have positive cash accruals (earnings before depreciation and tax) from operations for atleast two (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 Rs. 2,500 Lakhs;
- (h) The issuer shall mandatorily facilitate trading in demat securities;
- (i) The issuer should not have 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 (3) years against the issuer;
- (l) The Company should have a website. 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 NSE EMERGE.

As per Regulation 106M(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 shall not apply to this issue.

Thus, the Company is eligible for the Issue in accordance with regulation 106M (2) and other provisions of chapter XB of SEBI ICDR Regulations as the post issue face value capital does not exceed Rs. 25,00 Lakhs. Company also complies with the eligibility conditions laid by NSE EMERGE for listing of our Equity Shares

For details in relation to the above, the Bidders may refer to the RHP/Prospectus.

#### **2.4. Types of Public Issues – Fixed Price Issues and Book Built Issues**

In accordance with the provisions of SEBI ICDR Regulations, an issuer can either determine the Issue Price through the Book Building Process (“Book Built Issue”) or undertake a Fixed Price Issue (“Fixed Price Issue”). An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the Draft Red Herring 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 (5) Working Days before the Bid/ Issue Opening Date, in case of an IPO and at least one (1) Working Day before the Bid/Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities. Bidders/Applicants should refer to the RHP/ Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

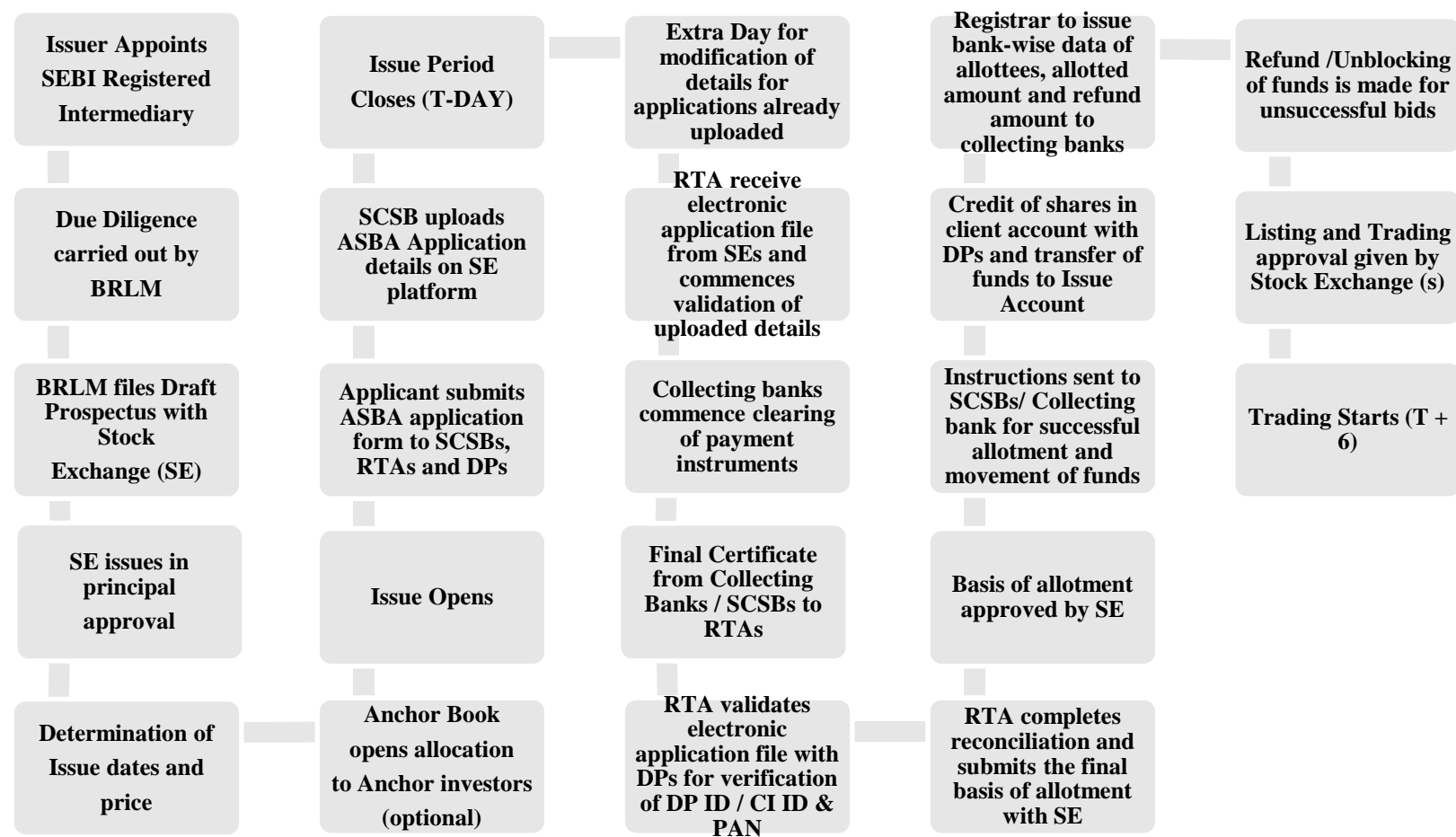
#### **2.5. ISSUE PERIOD**

The Issue may be kept open for a minimum of three (3) Working Days (for all category of Bidders/ Applicants) and not more than ten (10) Working Days. Bidders/Applicants are advised to refer to the Bid cum Application Form and Abridged Prospectus or RHP/Prospectus for details of the Bid/ Issue Period. Details of Bid/ Issue Period are also available on the website of NSE EMERGE.

In case of a Book Built Issue, the Issuer may close the Bid/ Issue Period for QIBs one (1) Working Day prior to the Bid/ Issue Closing Date if disclosures to that effect are made in the RHP. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/Issue Period may be extended by at least three (3) Working Days, subject to the total Bid/ Issue Period not exceeding ten (10) Working Days. For details of any revision of the Floor Price or Price Band, Bidders/Applicants may check the announcements made by the Issuer on the websites of NSE EMERGE, and the advertisement in the newspaper(s) issued in this regard.

## 2.6. FLOWCHART OF TIMELINES

A flow chart of process flow in Fixed Price and Book Built Issues is as follows. Bidders/ Applicants may note that this is not applicable for Fast Track FPOs.



### SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

Each Bidder/Applicant should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Bidders/Applicants, such as NRIs, FIIs, FPIs and FVCIs may not be allowed to Bid/Apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders/ Applicants are requested to refer to the RHP/Prospectus for more details.

Subject to the above, an illustrative list of Bidders/ Applicants is as follows:

- Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three);
- Bids/Applications belonging to an account for the benefit of a minor (under guardianship);
- Hindu Undivided Families or HUFs, in the individual name of the karta. The Bidder/ Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form as follows: “Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the karta”. Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals;
- Companies, corporate bodies and societies registered under applicable law in India and authorised to invest in equity shares;
- QIBs;
- NRIs on a repatriation basis or on a non-repatriation basis subject to applicable law;
- Indian Financial Institutions, regional rural banks, co-operative banks (subject to RBI regulations and SEBI ICDR Regulations and other laws, as applicable);
- FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or foreign individual, bidding under the QIBs category;
- Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals only under the Non Institutional Bidder (“NIBs”) category;
- FPIs other than Category III foreign portfolio investors Bidding under the QIBs category;
- FPIs which are Category III foreign portfolio investors, Bidding under the NIBs category;
- Scientific and/or industrial research organisations authorised in India to invest in the Equity Shares;
- Trusts/societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares;
- Limited liability partnerships registered under the Limited Liability Partnership Act, 2008;
- Any other person eligible to Bid/Apply in the Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws; and
- As per the existing regulations, OCBs are not allowed to participate in an Offer.

### SECTION 4: APPLYING IN THE ISSUE

**Book Built Issue:** Bidders should only use the specified ASBA Form (or in case of Anchor Investors, the Anchor Investor Application Form) bearing the stamp of a Designated Intermediary, as available or downloaded from the websites of the NSE EMERGE. Bid cum Application Forms are available with the BRLM, the Designated Intermediaries at the Bidding Centres and at the registered office of the Issuer. Electronic Bid cum Application Forms will be available on the website of the NSE EMERGE at least one day prior to the Bid/ Issue Opening Date. For further details, regarding availability of Bid cum Application Forms, Bidders may refer to the RHP/Prospectus.

Bidders/Applicants should ensure that they apply in the appropriate category. The prescribed colour of the Bid cum Application Form for various categories of Bidders/Applicants is as follows:



<b>Category</b>	<b>Colour of the Bid cum Application Form</b>
Resident Indian, Eligible NRIs applying on a non repatriation basis	White
NRIs, FVCIs, FIIs, their sub-accounts other than sub-accounts which are foreign corporate(s) or foreign individuals bidding under the QIB), FPIs, on a repatriation basis	Blue
Anchor Investors (where applicable) & Bidders Bidding/applying in the reserved category	As specified by the Issuer

Securities issued in an IPO can only be in dematerialized form in compliance with Section 29 of the Companies Act. Bidders/ Applicants will not have the option of getting the Allotment of Equity Shares in physical form. However, they may get the Equity Shares rematerialized subsequent to Allotment.

#### **4.1 INSTRUCTIONS FOR FILLING THE BID CUM APPLICATION FORM**

Bidders/Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the RHP and the Bid cum Application Form are liable to be rejected.

Instructions to fill each field of the Bid cum Application Form can be found on the reverse side of the Bid cum Application Form. Specific instructions for filling various fields of the Resident Bid cum Application Form and Non- Resident Bid cum Application Form and samples are provided below.

The samples of the Bid cum Application Form for resident Bidders and the Bid cum Application Form for non-resident Bidders are reproduced below:

TEAR HERE

COMMON BID CUM APPLICATION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - R		FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRI APPLYING ON A NON-REPATRIATION BASIS
	Address : ..... Contact Details : ..... CIN No. ....		

LOGO	TO, THE BOARD OF DIRECTORS XYZ LIMITED	BOOK BUILT ISSUE	Bid cum Application Form No. ....
		ISEN : .....	

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	BROKER/SCSB/DP/RTA BRANCH STAMP & CODE	Address : .....
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.	2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS		4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")		5. CATEGORY		6. INVESTOR STATUS
<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		No. of Equity Shares Bid (In Figure) (Bid must be in multiples of Bid Lot as advertised)		Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figure)		
Bid Options Option 1 (OR) Option 2 (OR) Option 3		Bid Price Retail Discount Net Price "Cut-off" (Please tick)		<input type="checkbox"/> Retail Individual Bidder <input type="checkbox"/> Non-Institutional Bidder <input type="checkbox"/> QIB		
Bid Lot as advertised		Bid Price Retail Discount Net Price "Cut-off" (Please tick)		<input type="checkbox"/> Retail Individual Bidder <input type="checkbox"/> Non-Institutional Bidder <input type="checkbox"/> QIB		

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 : .....	
Bank Name & Branch : .....		Bank Name & Branch : .....	

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ANNOUNCEMENT PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES (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 / SCSEB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)

LOGO	XYZ LIMITED	Acknowledgement Slip for Broker/SCSB/DP/RTA	Bid cum Application Form No. ....
	INITIAL PUBLIC ISSUE - R		

DPID / CLID	PAN of Sole / First Bidder
Amount paid (₹ in figures) : .....	Bank & Branch : .....
ASBA Bank A/c No. ....	Stamp & Signature of SCSEB Branch
Received from Mr./Ms. ....	
Telephone / Mobile : .....	Email : .....

XYZ LIMITED - INITIAL PUBLIC ISSUE - R	Option 1	Option 2	Option 3	Stamp & Signature of Broker / SCSEB / 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 : .....				

TEAR HERE

<b>COMMON BID CUM APPLICATION FORM</b>	<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - NR</b> Address : _____ Contact Details: _____ City No _____	<b>FOR NON-RESIDENTS, INCLUDING ELIGIBLE NRIS, FPIS OR FVCIS, ETC APPLYING ON A REPATRIATION BASIS</b>
LOGO TO, THE BOARD OF DIRECTORS XYZ LIMITED	<div style="border: 1px solid black; padding: 2px; text-align: center;"> <b>BOOK BUILT ISSUE</b>          ISIN : _____       </div>	Bid cum Application Form No. _____

<b>SYNDICATE MEMBER'S STAMP &amp; CODE</b>  	<b>BROKER/SCSB/DP/RTA STAMP &amp; CODE</b>  	<b>1. NAME &amp; CONTACT DETAILS OF SOLE / FIRST BIDDER</b> Mr. / Ms. _____ Address _____ Email _____ Tel. No (with STD code) / Mobile _____																							
<b>SUB-BROKER'S / SUB-AGENT'S STAMP &amp; CODE</b>  	<b>ESCROW BANK/SCSB BRANCH STAMP &amp; CODE</b>  	<b>2. PAN OF SOLE / FIRST BIDDER</b> _____																							
<b>BANK BRANCH SERIAL NO.</b>  	<b>SCSB SERIAL NO.</b>  	<b>3. BIDDER'S DEPOSITORY ACCOUNT DETAILS</b> <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 _____																							
<b>4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")</b> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2">Bid Options</th> <th rowspan="2">No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)</th> <th colspan="3">Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)</th> </tr> <tr> <th>Bid Price</th> <th>Retail Discount</th> <th>Net Price</th> </tr> </thead> <tbody> <tr> <td>Option 1</td> <td>8   7   6   5   4   3   2   1</td> <td>3   2   1</td> <td>3   2   1</td> <td>3   2   1</td> </tr> <tr> <td>(OR) Option 2</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>(OR) Option 3</td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>		Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)			Bid Price	Retail Discount	Net Price	Option 1	8   7   6   5   4   3   2   1	3   2   1	3   2   1	3   2   1	(OR) Option 2					(OR) Option 3					<b>5. CATEGORY</b> <input type="checkbox"/> Retail Individual Bidder <input type="checkbox"/> Non-Institutional Bidder <input type="checkbox"/> QIB
Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)			Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)																					
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Option 1	8   7   6   5   4   3   2   1	3   2   1	3   2   1	3   2   1																					
(OR) Option 2																									
(OR) Option 3																									
<b>7. PAYMENT DETAILS</b> Amount paid (₹ in figures) _____ (₹ in words) _____ <b>ASBA</b> Bank A/c No. _____ Bank Name & Branch _____		<b>6. INVESTOR STATUS</b> <input type="checkbox"/> NRI Non-Resident Indian(s) (Repatriation basis) <input type="checkbox"/> FII FII or Sub-account not a Corporate/Foreign Individual <input type="checkbox"/> FIISA FII Sub-account Corporate/Individual <input type="checkbox"/> FVCI Foreign Venture Capital Investor <input type="checkbox"/> FPI Foreign Portfolio Investors <input type="checkbox"/> OTH Others (Please Specify) _____																							
PAYMENT OPTION : FULL PAYMENT <input type="checkbox"/> PART PAYMENT <input type="checkbox"/>																									

<b>7A. SIGNATURE OF SOLE/ FIRST BIDDER</b> _____ Date : _____	<b>7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)</b> I/We authorize the SCSB to do all acts as are necessary to make the Application in the line 1) _____ 2) _____ 3) _____	<b>BROKER/SCSB/DP/RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)</b>  
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LOGO <b>XYZ LIMITED</b> <b>INITIAL PUBLIC ISSUE - NR</b>	<b>Acknowledgement Slip for Broker/SCSB/DP/RTA</b> _____	Bid cum Application Form No. _____ PAN of Sole / First Bidder _____
DPID / CLID _____	Amount paid (₹ in figures) _____ Bank & Branch _____ ASBA Bank A/c No. _____ Received from Mr./Ms. _____ Telephone / Mobile _____ Email _____	Stamp & Signature of SCSB Branch _____

<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - NR</b>	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th>Option 1</th> <th>Option 2</th> <th>Option 3</th> </tr> </thead> <tbody> <tr> <td>No. of Equity Shares</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Bid Price</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Amount Paid (₹)</td> <td></td> <td></td> <td></td> </tr> <tr> <td>ASBA Bank A/c No.</td> <td colspan="3"></td> </tr> <tr> <td>Bank &amp; Branch</td> <td colspan="3"></td> </tr> </tbody> </table>		Option 1	Option 2	Option 3	No. of Equity Shares				Bid Price				Amount Paid (₹)				ASBA Bank A/c No.				Bank & Branch				Stamp & Signature of Broker / SCSB / DP / RTA _____ Name of Sole / First Bidder _____ <b>Acknowledgement Slip for Bidder</b> Bid cum Application Form No. _____
	Option 1	Option 2	Option 3																							
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ASBA Bank A/c No.																										
Bank & Branch																										

#### 4.1.1. FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/FIRST BIDDER/ APPLICANT

- (a) Bidders/Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

- (b) **Mandatory Fields:** Bidders/Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/mobile number fields are optional. Bidders/Applicants should note that the contact details mentioned in the Bid cum 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 Bid cum Application Form may be used by the Issuer, the Designated Intermediaries and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.
- (c) **Joint Bids/Applications:** In the case of Joint Bids/Applications, the Bids/Applications should be made in the name of the Bidder/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 Bidder/Applicant would be required in the Bid cum Application Form and such first Bidder/Applicant would be deemed to have signed on behalf of the joint holders.
- (d) **Impersonation:** Attention of the Bidders/Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

*“Any person who:*

- a. makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- b. makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- c. otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”*

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

- (e) **Nomination Facility to Bidder/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 Bidders/Applicants should inform their respective DP.

#### **4.1.2. FIELD NUMBER 2: PAN OF SOLE/FIRST BIDDER/APPLICANT**

- (a) PAN (of the sole/first Bidder/Applicant) provided in the Bid cum Application Form/ should be exactly the same as the PAN of the person in whose sole or first name the relevant beneficiary account is held as per the Depositories’ records.
- (b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Bids/Applications on behalf of the Central or State Government, Bids/Applications by officials appointed by the courts and Bids/Applications by Bidders/Applicants residing in Sikkim (“PAN Exempted Bidders/Applicants”). Consequently, all Bidders/Applicants, other than the PAN Exempted Bidders/Applicants, are required to disclose their PAN in the Bid cum Application Form, irrespective of the Bid/ Application Amount. Bids/Applications by the Bidders/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 Bidders/ Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.
- (d) Bid cum Application Forms which provide the GIR Number instead of PAN may be rejected.
- (e) Bids/Applications by Bidders/Applicants whose demat accounts have been ‘suspended for credit’ are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as “Inactive demat accounts” and Demographic Details are not provided by depositories.

#### **4.1.3. FIELD NUMBER 3: BIDDERS/APPLICANTS DEPOSITORY ACCOUNT DETAILS**

- (a) Bidders/Applicants should ensure that DP ID and the Client ID are correctly filled in the Bid cum Application Form. The DP ID and Client ID provided in the Bid cum Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Bid cum Application Form is liable to be rejected.**
- (b) Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form is active.
- (c) Bidders/Applicants should note that on the basis of the DP ID and Client ID as provided in the Bid cum Application Form, the Bidder/Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Bidder/Applicant as available in the records of the Depositories. These Demographic Details may be used, among other things, for other correspondence(s) related to an Offer.
- (d) Bidders/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 Bidders/Applicants’ sole risk.

#### **4.1.4. FIELD NUMBER 4: BID OPTIONS**

- (a) Price or Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) may be disclosed in the RHP / Prospectus by the Issuer. The Issuer is required to announce the Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) by way of an advertisement in at least one English, one Hindi and one regional newspaper, with wide circulation, at least five (5) Working Days before Bid/ Issue Opening Date in case of an IPO, and at least one Working Day before Bid/ Issue Opening Date in case of an FPO.
- (b) The Bidders may Bid at or above Floor Price or within the Price Band for IPOs/FPOs undertaken through the Book Building Process. In the case of Alternate Book Building Process for an FPO, the Bidders may Bid at Floor Price or any price above the Floor Price (for further details Bidders may refer to Section 5.6 (e)).
- (c) **Cut-Off Price:** Retail Individual Bidders or Retail Individual Shareholders can Bid at the Cut-off Price indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIBs and such Bids from QIBs and NIBs may be rejected.

- (d) **Minimum Application Value and Bid Lot:** The Issuer in consultation with the BRLM may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is above Rs. 1 Lakh. The minimum Bid Lot is accordingly determined by an Issuer on basis of such minimum application value.
- (e) **Allotment:** The Allotment of specified securities to each RIB shall not be less than the minimum Bid Lot, subject to availability of shares in the RIB category, and the remaining available shares, if any, shall be Allotted on a proportionate basis. For details of the Bid Lot, Bidders may refer to the RHP/Prospectus or the advertisement regarding the Price Band published by the Issuer.

#### **4.1.4.1 Maximum and Minimum Bid Size**

- (a) The Bidder may Bid for the desired number of Equity Shares at a specific price. Bids by Retail Individual Bidders and Retail Individual Shareholders must be for such number of shares so as to ensure that the Bid Amount less Discount (as applicable), payable by the Bidder does not exceed Rs. 2 Lakhs.
- (b) In case the Bid Amount exceeds Rs. 2 Lakhs due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Category, with it not being eligible for discount then such Bid may be rejected if it is at the Cut-off Price.
- (c) For NRIs, a Bid Amount of up to Rs. 2 Lakhs may be considered under the Retail Category for the purposes of allocation and a Bid Amount exceeding Rs. 2 Lakhs may be considered under the Non-Institutional Category for the purposes of allocation.
- (d) Bids by QIBs and NIBs must be for such minimum number of shares such that the Bid Amount exceeds Rs. 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form and the RHP/Prospectus, or as advertised by the Issuer, as the case may be. NIBs and QIBs are not allowed to Bid at Cut-off Price.
- (e) RIBs may revise their Bids or withdraw their bids until the Bid/Issue Closing Date. QIBs and NIBs cannot withdraw or lower their Bids (in terms of quantity of Equity Share or the Bid Amount) at any stage after Bidding.
- (f) In case the Bid Amount reduces to Rs. 2 Lakhs or less due to a revision of the Price Band, Bids by the NIBs who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.
- (g) For Anchor Investors, if applicable, the Bid Amount shall be least Rs. 1,000 Lakhs. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. Bids by various schemes of a mutual fund shall be aggregated to determine the Bid Amount. A Bid cannot be submitted for more than 60% of the QIB Category under the Anchor Investor Portion. Anchor Investors cannot withdraw their Bids or lower the size of their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the Anchor Investor Bid/ Issue Period and are required to pay the Bid Amount at the time of submission of the Bid. In case the Anchor Investor Issue Price is lower than the Issue Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Issue Price is lower than the Anchor Investor Issue Price, the amount in excess of the Issue Price paid by the Anchor Investors shall not be refunded to them.
- (h) A Bid cannot be submitted for more than the Issue size.

- (i) The maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under the applicable laws.
- (j) The price and quantity options submitted by the Bidder in the Bid cum Application Form may be treated as optional bids from the Bidder and may not be cumulated. After determination of the Issue Price, the highest number of Equity Shares Bid for by a Bidder at or above the Issue Price may be considered for Allotment and the rest of the Bid(s), irrespective of the Bid Amount may automatically become invalid. This is not applicable in case of FPOs undertaken through Alternate Book Building Process (For details of Bidders may refer to (Section 5.6 (e)).

#### **4.1.4.2 Multiple Bids**

- (a) Bidder should submit only one (1) Bid cum Application Form. Bidder shall have the option to make a maximum of three (3) Bids at different price levels in the Bid cum Application Form and such options are not considered as multiple Bids.
- (b) Submission of a second Bid cum Application Form to either the same or to another Designated Intermediary and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.
- (c) Bidders are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple Bids:
  - i. All Bids may be checked for common PAN as per the records of the Depository. For Bidders other than Mutual Funds and FII sub-accounts, Bids bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected.
  - ii. For Bids from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Bidders, the Bid cum Application Forms may be checked for common DP ID and Client ID. Such Bids which have the same DP ID and Client ID may be treated as multiple Bids and are liable to be rejected.
- (d) The following Bids may not be treated as multiple Bids:
  - i. Bids by Reserved Categories Bidding in their respective Reservation Portion as well as Bids made by them in the Issue portion in public category.
  - ii. Separate Bids by Mutual Funds in respect of more than one scheme of the mutual fund provided that the Bids clearly indicate the scheme for which the Bid has been made.
  - iii. Bids by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.
  - iv. Bids by Anchor Investors under the Anchor Investor Portion and the QIB Category.

#### **4.1.5. FIELD NUMBER 5: CATEGORY OF BIDDERS**

- (a) The categories of Bidders identified as per SEBI ICDR Regulations, for the purpose of Bidding, allocation and Allotment in the Issue are RIBs, NIBs and QIBs.
- (b) Up to 60% of the QIB Category can be allocated by the Issuer, on a discretionary basis subject to the criteria of minimum and maximum number of Anchor Investors based on allocation size, to the Anchor Investors, in accordance with SEBI ICDR Regulations, with one-third of the Anchor Investor Portion



reserved for domestic Mutual Funds subject to valid Bids being received at or above the Issue Price. For details regarding allocation to Anchor Investors, Bidders may refer to the RHP/Prospectus.

- (c) An Issuer can make reservation for certain categories of Bidders as permitted under SEBI ICDR Regulations. For details of any reservations made in the Issue, Bidders/Applicants may refer to the RHP/Prospectus.
- (d) SEBI ICDR Regulations, specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form.

For Issue specific details in relation to allocation Bidder may refer to the RHP/ Prospectus.

#### **4.1.6. FIELD NUMBER 6: INVESTOR STATUS**

- (a) Each Bidder/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 Bidders, such as NRIs, FPIs and FVCIs may not be allowed to Bid in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Bidders are requested to refer to the RHP/Prospectus for more details.
- (c) Bidders should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Bid cum Application Form and Non-Resident Bid cum Application Form.
- (d) Bidders/Applicants should ensure that their investor status is updated in the Depository records.

#### **4.1.7. FIELD NUMBER 7: PAYMENT DETAILS**

- (a) The full Bid Amount (net of any discount, as applicable) shall be blocked in the ASBA Account based on the authorisation provided in the ASBA Form. If discount is applicable in the Issue, RIBs should indicate the full Bid Amount in the Bid cum Application Form and funds shall be blocked for the Bid Amount net of discount. Only in cases where the RHP/Prospectus indicates that part payment may be made, such an option can be exercised by the Bidder. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three (3) options at net price, i.e. Bid price less discount offered, if any.
- (b) RIBs who Bid at Cut-off Price shall arrange to block the Bid Amount based on the Cap Price.
- (c) All Bidders (except Anchor Investors) have to participate in the Issue only through the ASBA mechanism.
- (d) Bid Amount cannot be paid in cash, cheque, demand drafts, through money order or through postal order.

##### **4.1.7.1 Instructions for Anchor Investors:**

- (a) Anchor Investors may submit their Bids with a Book Running Lead Manager.



- (b) Payments should be made either by direct credit, RTGS or NEFT.
- (c) The Banker(s) to the Issue shall maintain the monies in the Escrow Account for and on behalf of the Anchor Investors until the Designated Date.

#### **4.1.7.2 Payment instructions for ASBA Bidders**

- (a) Bidders may submit the ASBA Form either
  - i. in electronic mode through the internet banking facility offered by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the Bid cum Application Form, or
  - ii. in physical mode to any Designated Intermediary.
- (b) Bidders must specify the bank account number in the Bid cum Application Form. The Bid cum Application Form submitted by Bidder and which is accompanied by cash, demand draft, cheque, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, will not be accepted.
- (c) Bidders should ensure that the Bid cum Application Form is also signed by the ASBA Account holder(s) if the Bidder is not the ASBA Account holder.
- (d) Bidders shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.
- (e) From one (1) ASBA Account, a maximum of five (5) Bids cum Application Forms can be submitted.
- (f) Bidders should submit the Bid cum Application Form only at the Bidding Centers, i.e. to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centres, the RTA at the Designated RTA Locations or CDP at the Designated CDP Locations.
- (g) Bidders bidding through a Designated Intermediary, other than a SCSB, should note that ASBA Forms submitted to such Designated Intermediary may not be accepted, if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one (1) branch at that location for such Designated Intermediary, to deposit ASBA Forms.
- (h) Bidders bidding directly through the SCSBs should ensure that the ASBA Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- (i) Upon receipt of the ASBA Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form.
- (j) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Bid Amount mentioned in the ASBA Form and for application directly submitted to SCSB by investor, may enter each Bid option into the electronic bidding system as a separate Bid.
- (k) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not accept such Bids and such bids are liable to be rejected.

- (l) Upon submission of a completed ASBA Form each Bidder may be deemed to have agreed to block the entire Bid Amount and authorized the Designated Branch of the SCSB to block the Bid Amount specified in the ASBA Form in the ASBA Account maintained with the SCSBs.
- (m) The Bid Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Bid, as the case may be.
- (n) SCSBs bidding in the Issue must apply through an account maintained with any other SCSB; else their Bids are liable to be rejected.

#### **4.1.7.2.1 Unblocking of ASBA Account**

- (a) Once the Basis of Allotment is approved by NSE EMERGE, 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 Bid, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Bid, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected Bids, 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 Bidder to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.
- (c) In the event of withdrawal or rejection of the ASBA Form and for unsuccessful Bids, the Registrar to the Issue may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within six (6) Working Days of the Bid/ Issue Closing Date.

#### **4.1.7.3 Discount (if applicable)**

- (a) The discount is stated in absolute rupee terms.
- (b) Bidders applying under RIB category and Retail Individual Shareholder only eligible for discount. For discounts offered in the Issue, Bidders may refer to the RHP/Prospectus.
- (c) The Bidders entitled to the applicable discount in the Issue may block the Bid Amount less Discount.

Bidder may note that in case the net amount blocked (post discount) is more than Rs. 2 Lakhs, the Bidding system automatically considers such applications for allocation under Non-Institutional Category. These applications are neither eligible for discount nor fall under RIB category.

#### **4.1.8 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS**

- (a) Only the First Bidder/Applicant is required to sign the Bid cum Application Form/ Application Form. Bidders/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 Bidder, then the signature of the ASBA Account holder(s) is also required.
- (c) The signature has to be correctly affixed in the authorisation/undertaking box in the Bid cum 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 Bid Amount mentioned in the Bid cum Application Form.
- (d) Bidders must note that Bid cum Application Form without signature of Bidder and/or ASBA Account holder is liable to be rejected.

#### **4.1.9 ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

- (a) Bidders should ensure that they receive the TRS duly signed and stamped by the Designated Intermediary, as applicable, for submission of the ASBA Form.
- (b) All communications in connection with Bids made in the Issue may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder.

Further, the investor shall also enclose a copy of the TRS duly received from the Designated Intermediaries in addition to the information mentioned hereinabove.

For further details, Bidder may refer the RHP/Prospectus and the Bid cum Application Form.

#### **4.2 INSTRUCTIONS FOR FILING THE REVISION FORM**

- (a) During the Bid/ Issue Period, any Bidder (other than QIBs and NIBs, who can only revise their bid upwards) who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the Revision Form, which is a part of the Bid cum Application Form.
- (b) RIB may revise their bids or withdraw their Bids till the Bid/ Issue Closing Date.
- (c) Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form.
- (d) The Bidder/Applicant can make this revision any number of times during the Bid/ Issue Period.

However, for any revision(s) in the Bid, the Bidders will have to use the services of the same Designated Intermediary through which such Bidder had placed the original Bid. Bidders are advised to retain copies of the blank Revision Form and the Bid(s) must be made only in such Revision Form or copies thereof.

A sample revision form is reproduced below:

COMMON BID REVISION FORM	<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - R</b>	FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs, AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS			
	Address : _____ Contact Details: _____ CIN No. _____				
LOGO	TO, THE BOARD OF DIRECTORS  XYZ LIMITED	Bid cum Application Form No. _____			
		<b>BOOK BUILT ISSUE</b> <b>ISIN :</b> _____			
SYNDICATE MEMBER'S STAMP & CODE	BROKER/BROKERS/RTA STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER			
		Mr./Ms. _____ _____			
		Email _____			
SUB-BROKER'S / SUBAGENT'S STAMP & CODE	ESCROW BANK/SCSB BRANCH STAMP & CODE	Tel. No (with STD code) / Mobile _____			
		2. PAN OF SOLE / FIRST BIDDER _____			
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.	3. BIDDER'S DEPOSITORY ACCOUNT DETAILS _____ NSDL _____ CDSL _____			
		For NSDL, enter 8 digit DP ID followed by 8 digit Client ID / For CDSL, enter 16 digit Client ID			
PLEASE CHANGE MY BID					
<b>4 FROM (AS PER LAST BID OR REVISION)</b>					
Bid Options :	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) (In Figures)	Price per Equity Share (₹) "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)			
		Bid Price      Retail Discount      Net Price      "Cut-off" (Please ✓ tick)			
	Option 1 (OR) Option 2 (OR) Option 3				
<b>5. TO (Revised Bid) (Only Retail Individual Bidders can Bid at "Cut-off")</b>					
Bid Options :	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) (In Figures)	Price per Equity Share (₹) "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)			
		Bid Price      Retail Discount      Net Price      "Cut-off" (Please ✓ tick)			
	Option 1 (OR) Option 2 (OR) Option 3				
<b>6. PAYMENT DETAILS</b>					
Additional Amount Paid (₹ in figures) _____ (₹ in words) _____		PAYMENT OPTION : FULL PAYMENT <input type="checkbox"/> PART PAYMENT <input type="checkbox"/>			
ASBA Bank A/c No. _____					
Bank Name & Branch _____					
I/We hereby confirm that I am applying for shares in XYZ Limited under the Initial Public Issue of the Company and I have read and understood the terms and conditions of the Prospectus and the Information Memorandum and I agree to pay the subscription amount in full at the time of allotment of shares to me. I further confirm that I have read and understood the terms and conditions of the Prospectus and the Information Memorandum and I agree to pay the subscription amount in full at the time of allotment of shares to me.					
TA SIGNATURE OF SOLE / FIRST BIDDER		7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (As per bank records) D/We authorize the SCSB to debit my account to make the Application fee for me. 1) _____ 2) _____ 3) _____			
Date : _____		BROKER / SCSEB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)			
TEAR HERE					
LOGO	<b>XYZ LIMITED</b> <b>BID REVISION FORM - INITIAL PUBLIC ISSUE - R</b>	Acknowledgement Slip for Broker/SCSEB/ DP/RTA			
		Bid cum Application Form No. _____			
PAN of Sole / First Bidder _____					
DP ID / CL ID	Additional Amount Paid (₹)	Stamp & Signature of SCSB Branch			
	Bank & Branch				
	ASBA Bank A/c No.				
	Received from Mr./Ms.				
	Telephone / Mobile				
	Email				
TEAR HERE					
XYZ LIMITED - BID REVISION FORM - INITIAL PUBLIC ISSUE - R	Option 1	Option 2	Option 3	Stamp & Signature of Broker / SCSEB / DP / RTA	Name of Sole / First Bidder
	No. of Equity Shares				
	Bid Price				
	Additional Amount Paid (₹)				
	ASBA Bank A/c No.				
	Bank & Branch				
					Acknowledgment Slip for Bidder
					Bid cum Application Form No. _____

Instructions to fill each field of the Revision Form can be found on the reverse side of the Revision Form. Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:

#### **4.2.1 FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/ APPLICANTS, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/ APPLICANT**

Bidders should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

#### **4.2.2 FIELD 4 & 5: BID OPTIONS REVISION ‘FROM’ AND ‘TO’**

- (i) Apart from mentioning the revised options in the Revision Form, the Bidder must also mention the details of all the bid options given in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder has Bid for three (3) options in the Bid cum Application Form and such Bidder is changing only one (1) of the options in the Revision Form, the Bidder must still fill the details of the other two (2) options that are not being revised, in the Revision Form. The Designated Intermediaries may not accept incomplete or inaccurate Revision Forms.
- (ii) In case of revision, Bid options should be provided by Bidders in the same order as provided in the Bid cum Application Form.
- (iii) In case of revision of Bids by RIBs and Retail Individual Shareholders, such Bidders/ Applicants should ensure that the Bid Amount, subsequent to revision, does not exceed Rs. 2 Lakhs. In case the Bid Amount exceeds Rs. 2 Lakhs (in case of RIBs) due to revision of the Bid or for any other reason, the Bid may be considered, subject to eligibility, for allocation under the Non-Institutional Category, not being eligible for Discount (if applicable) and such Bid may be rejected if it is at the Cut-off Price. The Cut-off Price option is given only to the RIBs and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process.
- (iv) In case the total amount (i.e., original Bid Amount plus additional payment) exceeds Rs. 2 Lakhs, the Bid will be considered for allocation under the Non-Institutional Category in terms of the RHP/ Prospectus. If, however, the RIB does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid, where possible, shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RIB and the RIB is deemed to have approved such revised Bid at Cut-off Price.
- (v) In case of a downward revision in the Price Band, RIBs who have bid at the Cut-off Price could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked after the allotment is finalised.

#### **4.2.3 FIELD 6: PAYMENT DETAILS**

- (i) All Bidders/Applicants are required to authorise that the full Bid Amount (less discount (if applicable)) is blocked. In case of Bidders/ Applicants specifying more than one (1) Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three (3) options at net price, i.e. Bid price less discount offered, if any.

- (ii) Bidder/Applicants may issue instructions to block the revised amount based on cap of the revised Price Band (adjusted for the discount (if applicable) in the ASBA Account, to the same Designated Intermediary through whom such Bidder/Applicant had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.
- (iii) In case the total amount (i.e., original Bid Amount less discount (if applicable) plus additional payment) exceeds Rs. 2 Lakhs, the Bid may be considered for allocation under the Non-Institutional Category in terms of the RHP/ Prospectus. If, however, the Bidder/Applicant does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for, where possible, may be adjusted downwards for the purpose of Allotment, such that additional amount is required blocked and the Bidder/Applicant is deemed to have approved such revised Bid at the Cut-off Price.
- (iv) In case of a downward revision in the Price Band, RIBs and Retail Individual Shareholders, who have bid at the Cut-off Price, could either revise their Bid or the excess amount blocked at the time of Bidding may be unblocked after the finalisation of basis of allotment.

#### **4.2.4 FIELDS7: SIGNATURES AND ACKNOWLEDGEMENTS**

Bidders/Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

### **4.3 INSTRUCTIONS FOR FILING APPLICATION FORM IN ISSUES MADE OTHER THAN THROUGH THE BOOK BUILDING PROCESS (FIXED PRICE ISSUE)**

#### **4.3.1 FIELDS 1, 2, 3 NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/ APPLICANT, PAN OF SOLE/FIRST BIDDER/ APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT**

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

#### **4.3.2 FIELD 4: PRICE, APPLICATION QUANTITY & AMOUNT**

- (i) The Issuer may mention Issue Price or Price Band in the draft Prospectus. However a prospectus registered with RoC contains one price or coupon rate (as applicable).
- (ii) **Minimum Application Value and Bid Lot:** The Issuer in consultation with the Lead Manager may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is above Rs. 1 Lakh. The minimum Lot size is accordingly determined by an Issuer on basis of such minimum application value.
- (iii) Applications by RIBs, must be for such number of shares so as to ensure that the application amount payable does not exceed Rs. 2 Lakhs.
- (iv) Applications by other investors must be for such minimum number of shares such that the application amount exceeds Rs. 2 Lakhs and in multiples of such number of Equity Shares thereafter, as may be disclosed in the application form and the Prospectus, or as advertised by the Issuer, as the case may be.
- (v) An application cannot be submitted for more than the Issue Size.
- (vi) The maximum application by any Applicant should not exceed the investment limits prescribed for them under the applicable laws.

(vii) **Multiple Applications:** An Applicant should submit only one (1) Bid Cum Application Form.

Submission of a second Bid Cum Application Form to either the same or other SCSB and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.

(viii) 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 FII 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 FII 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.

(ix) The following applications may not be treated as multiple Bids:

- i. Applications by Reserved Categories in their respective reservation portion as well as that made by them in the 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 Bid has been made.
- iii. Applications by Mutual Funds, and sub-accounts of FIIs (or FIIs and its subaccounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

#### **4.3.3 FIELDNUMBER 5: CATEGORY OF APPLICANTS**

- (a) The categories of Applicants identified as per SEBI ICDR Regulations, for the purpose of Bidding, allocation and Allotment in the Issue are RIBs, individual Applicants other than RIB'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 SEBI ICDR Regulations. For details of any reservations made in the Issue, Applicants may refer to the Prospectus.
- (c) SEBI ICDR Regulations specify the allocation or Allotment that may be made to various categories of Applicants in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation Applicant may refer the RHP/Prospectus.

#### **4.3.4 FIELD NUMBER 6: INVESTOR STATUS**

Applicants should refer the instructions contained in paragraphs 4.1.6.

#### **4.3.5 FIELD 7: PAYMENT DETAILS**

- (a) All Applicants (other than Anchor Investors) are required to make use of ASBA for applying in the Issue
- (b) Application Amount cannot be paid in cash, through money order, cheque, demand draft or through postal order or through stock invest.

##### **4.3.5.1 Payment instructions for ASBA Applicants**

Applicants should refer to instructions contained in paragraphs 4.1.7.2.

##### **4.3.5.2 Unblocking of ASBA Account**

Applicants should refer to instructions contained in paragraphs 4.1.7.2.1.

##### **4.3.5.3 Discount (if applicable)**

Applicants should refer to instructions contained in paragraphs 4.1.7.3.

#### **4.3.6 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS & ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

Applicants should refer to instructions contained in paragraphs 4.1.8 & 4.1.9.

#### **4.4 SUBMISSION OF BID CUM APPLICATION FORM/REVISION FORM**

**4.4.1 Bidders/Applicants may submit completed Bid cum Application Form/Revision Form in the following manner: -**

<b>Mode of Acquisition</b>	<b>Submission of Bid cum Application Form</b>
Anchor Investors Application Form	To the Book Running Lead Manager at the locations mentioned in the Anchor Investors Application Form
ASBA Form	a. To members of the Syndicate in the Specified Locations or Registered Brokers at the Broker Centres or the RTA at the Designated RTA Location or the DP at the Designated DP Location. b. To the Designated Branches of the SCSBs.

- (a) Bidders/Applicants should submit the Revision Form to the same Designated Intermediary through which such Bidder/Applicant had placed the original Bid.
- (b) Upon submission of the Bid cum Application Form, the Bidder/Applicant will be deemed to have authorized the Issuer to make the necessary changes in the RHP and the Bid cum Application Form as would be required for filing Prospectus with the RoC and as would be required by the RoC after such filing, without prior or subsequent notice of such changes to the relevant Bidder/ Applicant.
- (c) Upon determination of the Issue Price and filing of the Prospectus with the RoC, the Bid cum Application Form will be considered as the application form.



## **SECTION 5: ISSUE PROCEDURE IN BOOK BUILT ISSUE**

Book Building, in the context of the Issue, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Issue Price based on the Bids received as detailed in Schedule XI of SEBI ICDR Regulations. The Issue Price is finalised after the Bid/ Issue Closing Date. Valid Bids received at or above the Issue Price are considered for allocation in the Issue, subject to applicable regulations and other terms and conditions.

### **5.1 SUBMISSION OF BIDS**

- (a) During the Bid/ Issue Period, Bidders/ Applicants may approach any of the Designated Intermediaries to register their Bids. Anchor Investors who are interested in subscribing for the Equity Shares should approach the Book Running Lead Manager, to register their Bid.
- (b) In case of Bidders/Applicants (excluding NIBs and QIBs) Bidding at Cut-off Price, the Bidders/Applicants may instruct the SCSBs to block Bid Amount based on the Cap Price less discount (if applicable).
- (c) For details of the timing on acceptance and upload of Bids in NSE EMERGE Platform Bidders/Applicants are requested to refer the RHP.

### **5.2 ELECTRONIC REGISTRATION OF BIDS**

- (a) The Designated Intermediary may register the Bids using the on-line facilities of NSE EMERGE. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the issue.
- (b) On the Bid/ Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by NSE EMERGE and as disclosed in the RHP.
- (c) Only Bids that are uploaded on NSE EMERGE are considered for allocation/Allotment. The Designated Intermediaries are given till 1 p.m. (IST) on the next Working Day following the Bid/ Issue Closing Date to modify select fields uploaded in NSE EMERGE during the Bid/ Issue Period after which NSE EMERGE send the bid information to the Registrar to the Issue for further processing.

### **5.3 BUILD UP OF THE BOOK**

- (a) Bids received from various Bidders/Applicants through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of NSE EMERGE' on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid/ Issue Period.
- (b) Based on the aggregate demand and price for Bids registered on NSE EMERGE, a graphical representation of consolidated demand and price as available on the websites of NSE EMERGE may be made available at the Bidding centres during the Bid/ Issue Period.

### **5.4 WITHDRAWAL OF BIDS**

- (a) RIBs can withdraw their Bids until Bid/ Issue Closing Date. In case a RIB wishes to withdraw the Bid during the Bid/ Issue Period, the same can be done by submitting a request for the same to the concerned

Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.

- (b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account upon or after the finalisation of basis of allotment. QIBs and NIBs can neither withdraw nor lower the size of their Bids at any stage.

## **5.5 REJECTION & RESPONSIBILITY FOR UPLOAD OF BIDS**

- (a) The Designated Intermediaries are individually responsible for the acts, mistakes or errors or omission in relation to:
  - i. the Bids accepted by the Designated Intermediary,
  - ii. the Bids uploaded by the Designated Intermediary, and
  - iii. the Bid cum Application Forms accepted but not uploaded by the Designated Intermediary.
- (b) The BRLM and their affiliate Syndicate Members, as the case may be, may reject Bids if all information required is not provided and the Bid cum Application Form is incomplete in any respect.
- (c) The SCSBs shall have no right to reject Bids, except in case of unavailability of adequate funds in the ASBA account or on technical grounds.
- (d) In case of QIB Bidders, only the (i) SCSBs (for Bids other than the Bids by Anchor Investors); and (ii) BRLM and their affiliate Syndicate Members (only in the Specified Locations) have the right to reject Bids. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing.
- (e) All Bids by QIBs, NIBs & RIBs Bidders can be rejected on technical grounds listed herein.
- (f) The BRLM and their affiliate Syndicate Members, as the case may be, may reject Bids if all information required is not provided and the Bid cum Application Form is incomplete in any respect.
- (g) The SCSBs shall have no right to reject Bids, except in case of unavailability of adequate funds in the ASBA account or on technical grounds.

### **5.5.1 GROUNDS FOR TECHNICAL REJECTIONS**

Bid cum Application Forms can be rejected on the below mentioned technical grounds either at the time of their submission to any of the Designated Intermediaries, or at the time of finalisation of the Basis of Allotment. Bidders/Applicants are advised to note that the Bids/Applications are liable to be rejected, which have been detailed at various places in this GID:-

- (a) Bid/Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account as per Demographic Details provided by Depositories);
- (b) Bids/Applications by OCBs;
- (c) In case of partnership firms, Bid/Application for Equity Shares made in the name of the firm. However, a limited liability partnership can apply in its own name;

- (d) In case of Bids/Applications under power of attorney or by limited companies, corporate, trust, etc., relevant documents are not being submitted along with the Bid cum Application Form;
- (e) Bids/Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- (f) Bids/Applications by any person outside India if not in compliance with applicable foreign and Indian laws;
- (g) PAN not mentioned in the Bid cum Application Form except for Bids/ Applications by or on behalf of the central or state government and officials appointed by the court and by the investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participant;
- (h) In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;
- (i) Bids/Applications for lower number of Equity Shares than the minimum specified for that category of investors;
- (j) Bids/Applications at a price less than the Floor Price & Bids/Applications at a price more than the Cap Price;
- (k) Bids/Applications at Cut-off Price by NIBs and QIBs;
- (l) The amounts mentioned in the Bid cum Application Form do not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- (m) Bids/Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- (n) Bids/Applications for shares more than the prescribed limit by NSE EMERGE for each category.
- (o) Submission of more than five (5) ASBA Forms/ Application Forms per ASBA Account;
- (p) Bids/Applications for number of Equity Shares which are not in multiples of such Equity Shares as specified in the RHP;
- (q) Multiple Bids/Applications as defined in this GID and the RHP/Prospectus;
- (r) Bids not uploaded in NSE EMERGE bidding system.
- (s) Inadequate funds in the bank account to block the Bid/Application Amount specified in the ASBA Form at the time of blocking such Bid/Application Amount in the bank account;
- (t) Where no confirmation is received from SCSB for blocking of funds;
- (u) Bids/Applications by Bidders (other than Anchor Investors) not submitted through ASBA process;
- (v) Bids/Applications submitted to Designated Intermediaries at locations other than the Bidding Centers or to the Banker(s) to the Issue (assuming that such bank is not a SCSB where the ASBA Account is maintained), to the Issuer or the Registrar to the Issue;

- (w) Bids/Applications not uploaded on the terminals of NSE EMERGE;
- (x) Bids/Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form.

## 5.6 BASIS OF ALLOCATION

- (a) SEBI ICDR Regulations specify the allocation or Allotment that may be made to various categories of Bidders/Applicants in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP/Prospectus. For details in relation to allocation, the Bidder/ Applicant may refer to the RHP/Prospectus.
- (b) Under subscription in any category (except QIB Portion) is allowed to be met with spillover from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLM and NSE EMERGE and in accordance with SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.
- (c) In case of under subscription in the Issue, spill-over to the extent of such under subscription may be permitted from the reserved portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders/ Applicants may refer the RHP.
- (d) **Illustration of the Book Building and Price Discovery Process** Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors.

Bidders can bid at any price within the price band. For instance, assume a price band of Rs. 20 to Rs. 24 per share, issue size of 3,000 equity shares and receipt of five (5) bids from bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the equity shares of the issuer company at various prices and is collated from bids received from various investors.

Bid	Bid Price	Cumulative	Subscription
Quantity	(Rs.)	Quantity	
500	24	500	16.70%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.70%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the issuer is able to issue the desired number of equity shares is the price at which the book cuts off, i.e., Rs. 22.00 in the above example. The issuer, in consultation with the book running lead managers, will finalise the issue price at or below such cut-off price, i.e., at or below Rs. 22.00. All bids at or above this issue price and cut-off bids are valid bids and are considered for allocation in the respective categories.

### (e) Alternate Method of Book Building – NOT APPLICABLE

In case of FPOs, Issuers may opt for an alternate method of Book Building in which only the Floor Price is specified for the purposes of Bidding (“Alternate Book Building Process”).

The Issuer may specify the Floor Price in the RHP or advertise the Floor Price at least one Working Day prior to the Bid/ Issue Opening Date. QIBs may Bid at a price higher than the Floor Price and the Allotment to the QIBs is made on a price priority basis. The Bidder with the highest Bid Amount is allotted the number of Equity Shares Bid for and then the second highest Bidder is Allotted Equity Shares and this process continues until all the Equity Shares have been allotted. RIBs and NIBs are Allotted Equity Shares at the Floor Price and Allotment to these categories of Bidders is made proportionately. If the number of Equity Shares Bid for at a price is more than available quantity then the Allotment may be done on a proportionate basis. Further, the Issuer may place a cap either in terms of number of specified securities or percentage of issued capital of the Issuer that may be Allotted to a single Bidder, decide whether a Bidder be allowed to revise the bid upwards or downwards in terms of price and/or quantity and also decide whether a Bidder be allowed single or multiple bids.

## **SECTION 6: ISSUE PROCEDURE IN FIXED PRICE ISSUE – NOT APPLICABLE**

Applicants may note that there is no Bid cum Application Form in a Fixed Price Offer. 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 Bid cum Application Form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through the Designated Intermediary.

Applicants may submit an Application Form either in physical form to the any of the Designated Intermediaries or in the electronic form to the SCSB or the Designated Branches of the SCSBs authorising blocking of funds that are available in the bank account specified in the Application Form only (“ASBA Account”). The Application Form is also made available on the websites of the NSE EMERGE at least one day prior to the Bid/ Issue Opening Date.

In a fixed price Offer, allocation in the net offer to the public category is made as follows: minimum fifty per cent to Retail Individual Bidders; and remaining to (i) individual investors other than Retail Individual Bidders; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category. For details of instructions in relation to the Application Form, Bidders/Applicants may refer to the relevant section of the GID.

## **SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT**

The Allotment of Equity Shares to Bidders/Applicants other than Retail Individual Bidders and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders/Applicants may refer the RHP/Prospectus. No Retail Individual Bidder will be allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Bidder category and the remaining available shares, if any, will be Allotted on a proportionate basis. The requirement for 90% minimum subscription in terms of Regulation 14 of SEBI ICDR Regulations is not applicable to the Issue. In terms of Regulation 106P (1) of SEBI ICDR Regulations, the Issue is not restricted to any minimum subscription level and is 100% underwritten.

### **7.1 ALLOTMENT TO RIBs**

Bids received from the RIBs at or above the Issue Price may be grouped together to determine the total demand under this category. If the aggregate demand in this category is less than or equal to the Retail Category at or above the Issue Price, full Allotment may be made to the RIBs to the extent of the valid Bids. If the aggregate demand in this category is greater than the allocation to in the Retail Category at or above the Issue Price, then

the maximum number of RIBs who can be Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for Allotment to RIBs by the minimum Bid Lot ("Maximum RIB Allottees"). The Allotment to the RIBs will then be made in the following manner:

- (a) In the event the number of RIBs who have submitted valid Bids in the Issue is equal to or less than Maximum RIB Allottees, (i) all such RIBs shall be Allotted the minimum Bid Lot; and (ii) the balance available Equity Shares, if any, remaining in the Retail Category shall be Allotted on a proportionate basis to the RIBs who have received Allotment as per (i) above for the balance demand of the Equity Shares Bid by them (i.e. who have Bid for more than the minimum Bid Lot).
- (b) In the event the number of RIBs who have submitted valid Bids in the Issue is more than Maximum RIB Allottees, the RIBs (in that category) who will then be Allotted minimum Bid Lot shall be determined on the basis of draw of lots.

## **7.2 ALLOTMENT TO NIBS**

Bids received from NIBs at or above the Issue Price may be grouped together to determine the total demand under this category. The Allotment to all successful NIBs may be made at or above the Issue Price. If the aggregate demand in this category is less than or equal to the Non-Institutional Category at or above the Issue Price, full Allotment may be made to NIBs to the extent of their demand. In case the aggregate demand in this category is greater than the Non-Institutional Category at or above the Issue Price, Allotment may be made on a proportionate basis up to a minimum of the Non-Institutional Category.

## **7.3 ALLOTMENT TO QIBs**

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to SEBI ICDR Regulations or RHP/Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner:

- (a) In the first instance allocation to Mutual Funds for up to 5% of the QIB Category may be determined as follows: (i) In the event that Bids by Mutual Fund exceeds 5% of the QIB Category, allocation to Mutual Funds may be done on a proportionate basis for up to 5% of the QIB Category; (ii) In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Category then all Mutual Funds may get full Allotment to the extent of valid Bids received above the Issue Price; and Equity Shares remaining unsubscribed, if any and not allocated to Mutual Funds may be available for Allotment to all QIBs as set out at paragraph 7.4(b) below;
- (b) In the second instance, Allotment to all QIBs may be determined as follows: (i) In the event of oversubscription in the QIB Category, all QIBs who have submitted Bids above the Issue Price may be Allotted Equity Shares on a proportionate basis for up to 95% of the QIB Category; (ii) Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIBs; and (iii) Under-subscription below 5% of the QIB Category, if any, from Mutual Funds, may be included for allocation to the remaining QIBs on a proportionate basis.

#### 7.4 ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)

- (a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Issue Price will be at the discretion of the issuer in consultation with the BRLM, subject to compliance with the following requirements:
- i. not more than 60% of the QIB Category will be allocated to Anchor Investors;
  - ii. one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
  - iii. allocation to Anchor Investors shall be on a discretionary basis and subject to:
    - a maximum number of two (2) Anchor Investors for allocation up to Rs.1,000 Lakhs;
    - a minimum number of two (2) Anchor Investors and maximum number of fifteen (15) Anchor Investors for allocation of more than Rs. 1,000 Lakhs and up to Rs. 25,000 Lakhs subject to minimum Allotment of Rs. 500 Lakhs per such Anchor Investor; and
    - a minimum number of five (5) Anchor Investors and maximum number of fifteen (15) Anchor Investors for allocation of more than Rs. 25,000 Lakhs, and an additional ten (10) Anchor Investors for every additional Rs. 25,000 Lakhs or part thereof, subject to minimum Allotment of Rs. 500 Lakhs per such Anchor Investor.
- (b) An Anchor Investor shall make an application of a value of at least Rs.1,000 Lakhs in the Issue.
- (c) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Issuer in consultation with the BRLM, selected Anchor Investors will be sent a CAN and if required, a revised CAN.
- (d) **In the event that the Issue Price is higher than the Anchor Investor Issue Price:** Anchor Investors will be sent a revised CAN within one (1) day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Issue Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors.
- (e) **In the event the Issue Price is lower than the Anchor Investor Issue Price:** Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

#### 7.5 BASIS OF ALLOTMENT FOR QIBs (OTHER THAN ANCHOR INVESTORS), NIBs AND RESERVED CATEGORY IN CASE OF OVER-SUBSCRIBED ISSUE

In the event of the Issue being over-subscribed, the Issuer may finalise the Basis of Allotment in consultation with NSE EMERGE in accordance with SEBI ICDR Regulations.

The allocation may be made in marketable lots, on a proportionate basis as explained below:

- (a) Bidders may be categorized according to the number of Equity Shares applied for;
- (b) The total number of Equity Shares to be Allotted to each category as a whole may be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio;

- (c) The number of Equity Shares to be Allotted to the successful Bidders may be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio;
- (d) In all Bids where the proportionate Allotment is less than the minimum Bid Lot decided per Bidder, the Allotment may be made as follows: the successful Bidders out of the total Bidders for a category may be determined by a draw of lots in a manner such that the total number of Equity Shares Allotted in that category is equal to the number of Equity Shares calculated in accordance with (b) above; and each successful Bidder may be Allotted a minimum of such Equity Shares equal to the minimum Bid Lot finalised by the Issuer;
- (e) If the proportionate Allotment to a Bidder is a number that is more than the minimum Bid lot but is not a multiple of one (which is the marketable lot), the decimal may be rounded off to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5 it may be rounded off to the lower whole number. Allotment to all Bidders in such categories may be arrived at after such rounding off; and
- (f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares Allotted to the Bidders in that category, the remaining Equity Shares available for Allotment may be first adjusted against any other category, where the Allotted Equity Shares are not sufficient for proportionate Allotment to the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment may be added to the category comprising Bidders applying for minimum number of Equity Shares.

## 7.6 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

- (a) **Designated Date:** On the Designated Date, the Banker(s) to the Issue shall transfer the funds represented by allocation of Equity Shares to Anchor Investors from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account with the Bankers to the Issue. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the Bidders applying in the Anchor Investor Portion shall be made from the Refund Account as per the terms of the Escrow Agreement and the RHP. On the Designated Date, the Registrar to the Issue shall instruct the SCSBs to transfer funds represented by allocation of Equity Shares from ASBA Accounts into the Public Issue Account.
- (b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by NSE EMERGE, 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. Bidders/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 Bidders/Applicants who have been Allotted Equity Shares in the Issue.

- (c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.
- (d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) credit of shares to the successful Bidders/Applicants Depository Account will be completed within six (6) Working Days of the Bid/ Issue Closing Date.



## **SECTION 8: INTEREST AND REFUNDS**

### **8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING**

The Issuer shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at NSE EMERGE is taken within six (6) Working Days of the Bid/ Issue Closing Date. The Registrar to the Issue may initiate corporate action for credit to Equity Shares the beneficiary account with Depositories within six (6) Working Days of the Bid/ Issue Closing Date.

### **8.2 GROUNDS FOR REFUND**

#### **8.2.1 NON-RECEIPT OF LISTING PERMISSION**

An Issuer makes an application to NSE EMERGE for permission to deal in/list and for an official quotation of the Equity Shares. The details of NSE EMERGE from where such permission is sought disclosed in RHP/Prospectus. NSE EMERGE shall be the stock exchange with whom the Basis of Allotment will finalised and as disclosed in the RHP/Prospectus.

If the Issuer fails to make an application to NSE EMERGE or obtain permission for listing of the Equity Shares, in accordance with the provisions of Section 40 of the Companies Act, 2013, the Issuer shall be punishable with a fine which shall not be less than Rs. 5 Lakhs but which may extend to Rs. 50 Lakhs and every officer of the Issuer who is in default shall be punishable with imprisonment for a term which may extend to one (1) year or with fine which shall not be less than Rs. 0.5 Lakh but which may extend to Rs. 3 Lakhs, or with both.

If the permissions to deal in and an official quotation of the Equity Shares are not granted by NSE EMERGE, the Issuer may forthwith take steps to refund, without interest, all moneys received from Bidders/Applicants.

If such money is not refunded to the Bidders/ Applicants within the prescribed time after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of such period, be liable to repay the money, with interest at such rate, as disclosed in the RHP/Prospectus.

#### **8.2.2 NON RECEIPT OF MINIMUM SUBSCRIPTION**

The requirement for 90% minimum subscription in terms of Regulation 14 of SEBI ICDR Regulations is not applicable to the Issue. In terms of Regulation 106P (1) of SEBI ICDR Regulations, the Issue is not restricted to any minimum subscription level and is 100% underwritten.

If there is a delay beyond the prescribed time after the Issuer becomes liable to pay the amount received from Bidders, then the Issuer and every director of the Issuer who is an officer in default may on and from expiry of fifteen (15) Working Days, be jointly and severally liable to repay the money, with interest at the rate of 15% per annum in accordance with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended.

#### **8.2.3 MINIMUM NUMBER OF ALLOTTEES**

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be Allotted may not be less than fifty (50) failing which the entire application monies may be refunded forthwith.

#### **8.2.4 INCASE OF ISSUES MADE UNDER COMPULSORY BOOK BUILDING – NOT APPLICABLE**

In case an Issuer not eligible under Regulation 26(1) of SEBI ICDR Regulations comes for an Issue under Regulation 26(2) of SEBI ICDR Regulations but fails to Allot at least 75% of the Net Issue to QIBs, in such case full subscription money is to be refunded.

### **8.3 MODE OF REFUND**

- (a) **In case of ASBA Bids:** Within six (6) Working Days of the Bid/ Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Accounts for unsuccessful Bids or for any excess amount blocked on Bidding.
- (b) **In case of Anchor Investors:** Within six (6) Working Days of the Bid/ Issue Closing Date, the Registrar to the Issue may dispatch the refund orders for all amounts payable to unsuccessful Anchor Investors.
- (c) In case of Anchor Investors, the Registrar to the Issue may obtain from the depositories the Bidders' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Anchor Investors in their Anchor Investor Application Forms for refunds.

Accordingly, Anchor Investors are advised to immediately update their details as appearing on the records of their Depositories. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Anchor Investors' sole risk and neither the Issuer, the Registrar to the Issue, the Escrow Collection Banks, or the Syndicate, may be liable to compensate the Anchor Investors for any losses caused to them due to any such delay, or liable to pay any interest for such delay. Please note that refunds shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.

#### **8.3.1 Electronic mode of making refunds for Anchor Investors**

The payment of refund, if any, may be done through various electronic modes as mentioned below:

**8.3.1.1 NECS**—Payment of refund may be done through NECS for Bidders/Applicants having an account at any of the centers specified by the RBI. This mode of payment of refunds may be subject to availability of complete bank account details including the nine-digit MICR code of the Bidder/ Applicant as obtained from the Depository;

**8.3.1.2 NEFT**—Payment of refund may be undertaken through NEFT wherever the branch of the Anchor Investors' bank is NEFT enabled and has been assigned the Indian Financial System Code ("IFSC"), which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Anchor Investors have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Anchor Investors through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;

**8.3.1.3 RTGS**—Anchor Investors having a bank account at any of the centers notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS.

**8.3.1.4 Direct Credit**—Anchor Investors having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;

Please note that refunds through the abovementioned modes shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.

For details of levy of charges, if any, for any of the above methods, Anchor Investors may refer to RHP/Prospectus.

#### **8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND**

The Issuer may pay interest at the rate of 15% per annum if Allotment is not made and refund instructions have not been given to the clearing system in the disclosed manner/instructions for unblocking of funds in the ASBA Account are not dispatched within the fifteen (15) days of the Bid/ Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond fifteen (15) days from the Bid/ Issue Closing Date, if Allotment is not made.

## **RESTRICTION ON FOREIGN OWNERSHIP OF INDIAN SECURITIES**

Foreign investment in Indian securities is regulated through the consolidated FDI Policy and FEMA. The government bodies responsible for granting foreign investment approvals are the concerned ministries/departments of the Government of India and the RBI. The union cabinet has recently approved phasing out the FIPB, as provided in the press release dated May 24, 2017. The DIPP issued the Standard Operating Procedure ('SOP') for Processing FDI Proposals on June 29, 2017 (the "SOP"). The SOP provides a list of the competent authorities for granting approval for foreign investment for sectors/activities requiring Government approval. For sectors or activities that are currently under automatic route but which required Government approval earlier as per the extant policy during the relevant period, the concerned administrative ministry/department shall act as the competent authority (the "**Competent Authority**") for the grant of postfacto approval for foreign investment. In circumstances where there is a doubt as to which department shall act as the Competent Authority, DIPP shall identify the Competent Authority.

The GoI has from time to time made policy pronouncements on FDI through press notes and press releases. The Consolidated FDI Policy superseded all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on August 28, 2017. RBI has issued Master Directions - Foreign Investments in India dated January 4, 2018. In terms of the said Master Directions, an Indian company may issue fresh shares to person resident outside India (who are eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the said Master Directions.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment policy and transfer does not attract the provisions of SEBI Takeover Regulations; (ii) the Non-Resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI/RBI.

As per the existing policy of the GoI, OCBs cannot participate in this Issue.

**The Equity Shares have not been and will not be registered under the U.S Securities Act or any other applicable law of the United States and, unless so registered, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) within the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the U.S Securities Act and referred to in this Draft Red Herring Prospectus as "U.S. QIBs", for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as "QIBs") in transactions exempt from, or not subject to, the registration requirements of the U.S Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the U.S 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.**

The above information is given for the benefit of the Bidders. Our Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date

of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid do not exceed the applicable limits under laws or regulations.

## SECTION IX - MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Schedule I of the Companies Act and SEBI ICDR Regulations, the main provisions of the Articles of Association of our Company are detailed below.

### PRELIMINARY

- |  |  |
|--|--|
| 1. (1) The regulations contained in the Table marked 'F' in Schedule I to the Companies Act, 2013 shall not apply to the Company, except in so far as the same are repeated, contained or expressly made applicable in these Articles as mentioned hereunder or by the said Act  | Table F not to apply                     |
| (2) The regulations for the management of the Company and for the observance by the members thereto and their representatives, shall, subject to any exercise of the statutory powers of the Company with reference to the deletion or alteration of or addition to its regulations by resolution as prescribed or permitted by the Companies Act, 2013, be such as are contained in these Articles. | Company to be governed by these Articles |

### INTERPRETATION

- |  |  |
|--|--|
| 2. In the interpretation of these Articles, the following words and expression shall have the following meanings, unless repugnant to the subject or context:  | Interpretation Clause                    |
| "The Act" or "Act" means the Companies Act, 2013 or any statutory modification or re-enactment thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any previous company law, so far as may be applicable | "The Act or the Said Act"                |
| "The Board" or "The Board of Directors" means the collective body of directors of the Company.   | "The Board " or "The Board of Directors" |
| "The Company" or "this Company" means Rajshree Polypack Limited  | "The Company"                            |
| "Alter" and "Alteration" shall include the making of additions, omissions, insertion, deletion and substitutions.  | "Alter" and "Alteration"                 |
| "Auditors" means and includes those persons appointed as such for the time being by the Company.   | "Auditors"                               |
| "Beneficial Owner" means a person whose name is recorded as such with a depository.  | "Beneficial Owner"                       |

<p>“Body Corporate” or “Corporation” includes a company incorporated outside India but does not include:</p> <p>a) a corporation sole,</p> <p>b) a co-operative society registered under any law relating to co-operative societies, and</p> <p>c) any other Body Corporate (not being a company as defined in the Act) which the Central Government may, by a notification in the Official Gazette specify in this behalf.</p>	<p>“Body Corporate” or “Corporation”</p>
<p>“Books and Record” includes the records maintained in the form as may be determined by Regulations; whether in physical or electronic forms.</p>	<p>“Books and Record”</p>
<p>“Bye-Laws” means bye-laws made by a depository under Section 26 of the Depositories Act.</p>	<p>“Bye-Laws”</p>
<p>“Capital” means the share capital for the time being, raised or authorized to be raised, for the purpose of the Company.</p>	<p>“Capital”</p>
<p>“CSR” means Corporate Social Responsibility and “CSR Policy” means the policy adopted by the Company pursuant to Section 135 of the Act and Rules made thereunder;</p>	<p>“CSR” and “CSR Policy”</p>
<p>“Depository” means a depository as defined in clause (e) of sub-section (1) of section 2 of the Depositories Act, 1996</p>	<p>“Depository”</p>
<p>“Depositories Act” means the Depositories Act, 1996, including any statutory modification or re-enactment thereof for the time being in force.</p>	<p>“Depositories Act”</p>
<p>“Debenture” shall have the same meaning as given under Section 2(30) of the Act;</p>	<p>“Debenture”</p>
<p>“Directors” means the Directors for the time being of the Company or as the case may be, the Directors assembled at a Board.</p>	<p>“Directors”</p>
<p>“Dividend” includes bonus.</p>	<p>“Dividend”</p>
<p>“Document” includes summons, notice, requisition, order, other legal process and registers, whether issued, sent or kept in pursuance of this or any other Act or otherwise</p>	<p>“Document”</p>
<p>“Financial Statements” shall have the same meaning as prescribed under the Act.</p>	<p>“Financial Statements”</p>
<p>“Financial year” shall have the meaning assigned thereto by Section 2(41) of the Act.</p>	<p>“Financial year”</p>
<p>Words importing the masculine gender also include the feminine gender.</p>	<p>“Gender”</p>
<p>“In Writing” and “Written” include printing, lithography and other modes of representing or reproducing words in a visible form.</p>	<p>“In Writing” and “Written”</p>

“Legal Representative” means a person who in law represents the estate of a deceased Member	“Legal Representative”
“Listing Regulations” means SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any statutory modification or re-enactment thereof for the time being in force.	“Listing Regulations”
“Member” means the duly registered holder from time to time of the shares of the Company and includes the subscribers to the Memorandum and Articles of Association of the Company and Person(s) whose name(s) is/are entered as Beneficial Owner in the records of the Depository.	“Member”
“Meeting” or “General Meeting” means a meeting of members.	“Meeting” or “General Meeting”
“Annual General meeting” means a general meeting of the members held in accordance with the provisions of Section 96 of the Act.	“Annual General meeting”
“Extra Ordinary General meeting” means an Extra Ordinary General meeting of the member duly called and constituted and any adjournment thereof.	“Extra Ordinary General meeting”
“Month” means a period of thirty days and a “Calendar month” means an English Calendar Month.	“Month” and “Calendar month”
“Independent Directors” shall have the meaning assigned thereto by Section 149 (6) of the Act and Regulation 16 (1) (b) of the Listing Regulations.	“Independent Director”
“Office” means the registered office for the time being of the Company.	“Office”
“Ordinary Resolution” and “Special Resolution” shall have the meaning assigned thereto by Section 114 of the Act.	“Ordinary Resolution” & “Special Resolution”
“Paid Up capital” means such aggregate amount of money credited as paid up as is equivalent to the amount received as paid up in respect of shares issued and also includes any amount credited as paid up in respect of shares of the company, but does not include any other amount received in respect of such shares, by whatever name called.	“Paid Up capital”
“Person” includes an individual, an association of persons or body of individuals, whether incorporated or not, and a firm.	“Person”
“Register of Members” means the Register of Members to be kept in pursuant to the provisions of the Act.	“Register of Members”



“Register and Index of Beneficial Owners” maintained by a depository under Section 11 of the Depositories Act shall be deemed to be the Register and Index of Members for the purposes of the Act and these Articles.	“Register and Index of Beneficial Owners”
“The Registrar” means the Registrar of Companies of the state in which the registered office of the Company is for the time being situated.	“Registrar”
“Related Party” shall have the meaning assigned thereto by Section 2 (76) of the Act and Regulation 2 (1) (zb) of the Listing Regulations.	“Related Party”
“Relative” shall have the same meaning as prescribed under the Act and the Listing Regulations.	“Relative”
“These Presents” or “Regulations” means these Articles of Association as originally framed or altered from time to time and includes the Memorandum where the context so requires.	“These Presents” or “Regulations” or “Articles” or “Articles of Association”
“Seal” means the Common Seal for the time being of the Company.	“Seal”
“SEBI” means the Securities and Exchange Board of India or any other governmental agency, by whatever name called, of equal stature and/or with equal authority to enforce securities laws in India.	“SEBI”
“Secretary” means a Company Secretary as defined in clause (c) of Sub Section (1) of Section 2 of the Companies Secretaries Act, 1980 who is appointed by the Company to perform the functions of a Company Secretary under the Act.	“Secretary”
“Security” means share, debentures and such other security as may be specified by the SEBI from time to time.	“Security”
“Share” means share in the share capital of the Company and includes stock.	“Share”
Words imparting the singular number include the plural number.	“Singular Number”
“Year” means the “Calendar year”.	“Year”
Subject aforesaid, any words and expressions defined in the said Act as modified up to the date on which these Articles become binding on the Company shall, except where the subject or context otherwise requires, bear the same meanings in these Articles.	“Expressions defined in the Act to bear the same meaning in the Articles.”
The Marginal notes hereto shall not affect the construction hereof.	“Marginal notes”

## **CAPITAL AND INCREASE, REDUCTION AND ALTERATION OF CAPITAL**

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| <p>3. The authorised share capital of the Company shall be as stated in clause V of the Memorandum of Association of the Company.</p>  | <p>Authorised Share Capital</p>  |
| <p>4. The Company has power from time to time to increase or reduce its Capital and to divide the shares in the Capital for the time being into other classes and to attach thereto respectively such preferential, deferred, qualified or other special rights, privileges, conditions or restrictions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such right, privilege, conditions or restrictions in such manner as may for the time being be permitted by the Articles of Association of the Company or the legislative provisions for the time being in force in that behalf.</p>   | <p>Power to increase or reduce Capital and divide the shares in the Capital.</p> |
| <p>5. The Company may from time to time by Ordinary Resolution in General Meetings increase its share capital by the creation and issue of new shares either by fresh issue of shares or increase in terms of / by conversion or otherwise of any instruments including warrants, convertible Debentures issued or to be issued in such manner, and of such amount as it thinks expedient. Subject to the provision of the Act, the new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as by the General Meeting creating the same shall direct and if no direction be given, as the Directors shall determine. Such shares may be issued with a preferential or qualified right as to dividends, and in the distribution of assets of the Company, and with a right of voting at General Meetings of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article, the Directors shall comply with the provisions of Section 64 of the Act.</p>   | <p>Increase of Capital</p>   |
| <p>6. (i) In case of increase in the subscribed capital of the Company by allotment of further shares, then such further shares shall be offered to the persons who, at the date of the offer, are holders of the equity shares with or without voting rights of the Company, in proportion as nearly as circumstances admit, to the capital paid up on these shares at that date, and such offer shall be made in accordance with the provisions of Section 62 of the Act. Provided that notwithstanding anything hereinbefore contained the further shares aforesaid may be offered to any persons, whether or not those persons include the persons who, at the date of offer, are holders of the equity shares of the Company in any manner whatsoever, if a Special Resolution to that effect is passed by the Company in General Meetings.</p> <p>(ii) Subject to the provisions of Section 62 of the Act and pursuant to the approval of the shareholders granted by way of a Special Resolution, the Company may issue Warrants or other instruments which may entitle the holders thereof to subscribe to shares and fully/partly convertible Debentures on such terms and conditions as the Board may think fit.</p> | <p>Right of equity shareholders to further issue of Capital</p>                  |

(ii) Nothing in this Article shall apply to the increase of the subscribed capital caused by the exercise of an option attached to debentures issued or loans raised by the Company, to convert such debentures or loan into shares in the Company or to subscribe for shares in the Company (whether such option is conferred by Articles or otherwise) provided that the terms of the issue of such debentures or of such loans include a term providing for such option and such terms have been approved by a Special Resolution passed by the Company in its general meeting before the issue of the debentures or the raising of the loans as the case may be.

7. (a) Except so far as otherwise provided by the conditions of issue or by These Presents, any capital raised by the creation of new shares shall be considered part of the original capital and shall be subject to the provision herein contained with reference to the payment of calls and installments, transfer and transmission, forfeiture, lien, surrender, voting or otherwise.

Further issue of Capital to be governed by same rules.

b) The Company shall not issue any preference shares which are irredeemable.

c) The Company may issue preference shares which are liable to be redeemed within a period not exceeding twenty years from the date of their issue subject to following conditions:

- i) the issue of such shares has been authorized by passing a Special Resolution in the general meeting of the Company;
- ii) the Company at the time of such issue of preference shares has no subsisting default in the redemption of preference shares or in payment of dividend due on any preference shares.

Provided further that:

- i) No such shares shall be redeemed except out of profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of redemption.
- ii) No such shares shall be redeemed unless they are fully paid.
- iii) The premium if any, payable on redemption must have been provided for out of the profits of the Company or the Company's share Premium Account before the shares are redeemed.
- iv) Where any such shares are redeemed otherwise than out of the proceeds of a fresh issue there shall, out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called the 'Capital Redemption Reserve Account' a sum equal to the nominal amount of the shares to be redeemed and the provisions of the Act relating to the reduction of the Share Capital of the Company shall, except as provided in Section 55 of the Act, apply as if the Capital Redemption Reserve Account were the paid up share capital of the Company.

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| <p>8. The Company may, subject to the provisions of the Act, from time to time by Special Resolution reduce its share capital and any Capital Redemption Reserve Account or other Premium Account in any way authorized by law and in particular may pay off any paid up share capital upon the footing that it may be called up again or otherwise and may, if and so far as is necessary, alter its Memorandum by reducing the amount of its share capital and of its shares accordingly. This Article is not to derogate from any power the Company would have if it were omitted.</p>   | <p>Reduction of Capital</p>  |
| <p>9. The Company in General Meeting, may alter the conditions of its Memorandum to-</p> <ul style="list-style-type: none"> <li>a) consolidate and divide all or any of the share capital into shares of larger amount than its existing shares.</li> <li>b) sub-divide its shares or any of them into shares of smaller amounts than originally fixed by the Memorandum, so however, that in the sub-division the proportion between the amount paid and the amounts, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived.</li> <li>c) cancel shares which at the date of such General Meeting have not been taken or agreed to be taken by any person and diminish the amount of its share Capital by the amount of the shares so cancelled.</li> </ul>   | <p>Consolidation, division and sub-division</p>  |
| <p>10. Subject to the provisions of the Act, the shares in the Capital of the Company for the time being (including any share forming part of any increased capital of the Company) shall be under the control of the Directors who may allot or otherwise dispose of the same or any of them to such person 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 and proper, and with full power to give to any person the option to be allotted shares of the Company either at par or at a premium, such option being exercisable at such time and for such consideration as the Directors think fit. Provided that the option or right to call on shares shall not be given to any person or persons without the sanction of the Directors in a Board meeting.</p>  | <p>Shares under the control of Directors</p>   |
| <p>11. Subject to Section 42 and 62 of the Act, the Company in general meeting may, by Special Resolution, determine to issue further shares out of the authorized but unissued Capital of the Company and may determine that any shares (whether forming part of the original Capital or of any increased Capital of the Company) shall be offered to such persons (whether members or holders of debentures of the Company or not) in such proportions and on such terms and conditions and either at a premium or at par, as such general meeting shall determine and with full power to give any person (whether a member or holder of debentures of the Company or not) option to be allotted shares of any class of the Company either at a premium or at par. Such option is exercisable at such general meeting of the Company and the Company may make any other provisions whatsoever for the issue, allotment or disposal of any shares,</p> | <p>Power of the Company to offer shares to such persons as the Company may resolve in a General Meeting.</p> |

subject to any direction given by the general meeting as aforesaid.

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| 12. Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the Capital of the Company in payment or part payment for any part payment for any property or assets of any kind whatsoever (including the goodwill of any business) sold or transferred or goods or machinery or know-how supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid up 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 aforesaid. The Directors shall cause returns to be filed of any such allotment as provided by Section 39 of the Act. | Directors may allot shares as fully paid up   |
| 13. Any unclassified shares of the Company for the time being (whether forming part of the original Capital or of any increased Capital of the Company), may be issued either with the sanction of the Company in general meeting or by the Board, with such rights and privileges annexed thereto and upon such terms and conditions as the General Meeting sanctioning the issue of such shares may direct, and if no such direction shall be given and in all other cases as the Directors shall determine and in particular, such shares may be issued with a preferential or qualified right to dividends and in distribution of assets of the company and preference shares may be issued on the terms that they are or at the option of the Company are liable to redeemed.                        | Unclassified shares   |
| 14. Subject to the provisions of Section 43 of the Act and applicable rules, guidelines and regulations, the Company shall have the power to issue equity shares with differential right as to dividend, voting or otherwise.   | Equity Shares with Differential Rights  |
| 15. An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is entered on the Register of Members shall, for the purpose of these Articles, be a member.   | Acceptance of Shares  |
| Except when required by law and in particular by Section 89 of the Act, or ordered by a court of competent jurisdiction, the Company shall not be bound to recognize any person as holding any share upon any trust and the Company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share, or (except only as by these Articles or as ordered by a court of competent jurisdiction 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.  | Company not bound to recognize any interests in shares other than that of the registered holder |
| 16. The Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any shares or other securities   | Absolute owner  |

or whose name appears as the Beneficial Owner of shares or other securities in the records of Depository, as the absolute owner thereof.

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| 17. The money (if any) which the Directors shall, on the allotment of any shares being made by them, require or direct to be paid by way of call or otherwise in respect of any shares allotted by them shall, immediately on the insertion of the name of the allottee in the Register of Members as the holders of such shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.   | Deposit and calls etc. to be a debt payable immediately                              |
| 18. If, by the conditions of allotment of any share the whole or part of the amount or issue price thereof, shall be payable by installments, every such installment shall, when due, be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.   | Installments on shares to be duly paid   |
| 19. The right conferred upon the holders of 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.  | Issue of further pari passu shares not to affect the rights of shares already issued |
| 20. None of the funds of the Company shall be directly or indirectly applied in the purchase of any shares of the Company and itself not give any financial assistance for or in connection with the purchase of subscription of any shares in the Company or its holding Company, save as provided by Section 67 of the Act.  | Funds of Company shall not be applied in purchase of shares of the Company           |
| 21. Notwithstanding anything contained in the Articles, the Company shall have a power, subject to and in accordance with all applicable provisions of the Act and regulations pertaining to buy-back as framed by SEBI, to acquire/purchase/buy back and hold or resell any of its, fully or partly paid Shares on such terms and conditions and upto such limits as may be determined by the Board or prescribed by law from time to time and make a payment out of capital in respect of such acquisition/purchase. | Power to buy back shares, etc  |

## CERTIFICATES

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| 22. The certificates of title to the shares shall be issued under the seal of the Company which shall be affixed in the presence of and signed by (i) two Directors duly authorized by the Board of the Company for the purpose or the committee of the Board, if so authorized by the Board (provided that if the composition of the Board permits one of the aforesaid two Directors shall be a person other than the managing or whole-time Director) and (ii) the Secretary or some other person appointed by the Board for the purpose. Particulars of every share certificate issued shall be entered in the Register of Members against the said person to whom it has been issued indicating the date of issue. A Director shall be deemed to have signed the share certificate if his signature is printed thereon as | Share Certificate |
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a facsimile signature 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 personally responsible for permitting the affixation of his signature thus and the safe custody of such machine equipment or other material used, for the purpose. Provided always that notwithstanding anything contained in this Article, the certificates of title to shares may be executed and issued in accordance with such other provisions of the Act, or the rules made there under, as may be in force for the time being and from time to time.

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| <p>23. Subject to the compliance of the relevant provisions of the Act and the Companies (Share Capital and Debentures) Rules 2014 every member or allottee of share(s) shall be entitled, without payment, to receive at least one or more certificate in the marketable lot under the seal of the Company for all the shares of each class or denomination registered in his name in such form as the Directors shall prescribe or approve, specifying the number of share or shares allotted to him and the amount paid thereon. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or of its fractional coupons of requisite values, save in case of issues against letters of acceptance or of renunciation, or in case of issue of bonus shares. Provided that, if the letter of allotment is lost or destroyed, the Board may impose such reasonable terms, if any, as it thinks fit, as to seek supporting evidence and indemnity and the payment of out of pocket expenses incurred by the Company in investigating such evidence, as it may think fit. Every certificate of shares shall have its distinctive number and shall be under the Seal of the Company and specify the number and denoting number of shares in respect of which it is issued and the amount paid thereon.</p> | <p>Member's right to certificates</p>  |
| <p>24. The Company shall, within two months after the allotment of any of its shares, or within six months after allotment of any of its debentures or within one month from the date of receipt of the instrument of transfer or intimation of transmission of any such shares or debentures, complete and have ready for delivery the certificates of all shares and debentures allotted or transferred, unless the conditions of issue of the shares or debentures otherwise provide and the Company shall otherwise comply with the requirements of Section 56(4) and other applicable provisions (if any) of the Act.</p>  | <p>Delivery of certificates</p>  |
| <p>25. (1) No certificate(s) of any share or shares or debenture or debentures shall be issued either in exchange for those which are subdivided or consolidated or in replacement of those which are defaced, torn or old, decrepit, worn out, or rendered useless from any cause whatsoever, or where the cages on the reverse for recording transfers have been fully utilized, unless the certificate in lieu of which they are issued are surrendered to the Company and the Company may charge such fee as the Board thinks fit, not exceeding rupees fifty per certificate.</p>  | <p>As to issue of new certificate in place of those defaced, lost or destroyed</p> |

(2) No duplicate certificates shall be issued in lieu of those that are lost or destroyed, without the prior consent of the Board and without payment of such fees as the Board thinks fit, not exceeding rupees fifty per certificate and on such reasonable terms, if any, as to evidence of such loss or destruction and indemnity and the payment of out of pocket expenses incurred by the Company in investigating evidence as the Board thinks fit.

(3) When a new share certificate has been issued in pursuance of clause (1) of this Article, it shall state on the face of it and be recorded in the Register maintained for the purpose that it is "Issued in lieu of share certificate No. \_\_\_\_\_ sub divided/replaced/on consolidation".

(4) Where a new share certificate has been issued in pursuance of clause (2) of this Article, it shall be stated prominently on the face of it and be recorded in the Register maintained for the purpose, that it is "Duplicate issued in lieu of Share Certificate No. -". The word "Duplicate" shall be stamped or printed prominently on the face of the share certificates. The duplicate share certificates shall be issued within a period of fifteen days, from the date of submission of complete documents with the Company.

(5) Where a new share certificate has been issued in pursuance of clause (i) or clause (ii) of this Article, particulars of every such share certificate shall be entered in a Register of Renewed and Duplicate Certificate including against the names of the persons to whom the certificate is issued, the number and date of issue of the share certificate in lieu of which the new certificate is issued, and the necessary changes indicated in the Register of Members of suitable cross reference in the "Remarks" column. All entries made in the Register of Renewed and Duplicate Share Certificates shall be authenticated by the Company Secretary or such other person as may be authorized by the Board for the purposes of sealing and signing the share certificate.

(6) All blank forms to be issued for share certificates shall be printed and the printing shall be done only on the authority of a resolution of the Board. The blank form shall be consecutively machine numbered and the forms and the blocks, engravings, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary or such other person as the Board may appoint for the purpose, and the Secretary or other persons aforesaid shall be responsible for rendering an account of these forms to the Board.

(7) The following persons shall be responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue of share certificates, including the blank forms of share certificates referred to in clause (f) of this Article:

a) the committee of the Board, if so authorized by the Board or where the Company has a Company Secretary, the Company Secretary; or



b) where the Company has no Company Secretary, a Director specifically authorised by the Board for such purpose.

(8) All the books referred to in clause (7) of this Article shall be preserved in good order not less than thirty years and in case of disputed cases, shall be preserved permanently and documents

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| 26. Every endorsement upon the certificate of any share in favour of any transferee thereof shall be signed by such person for the time being authorized by the Directors in that behalf. | Endorsement of certificate     |
| 27. The Board shall comply with requirements prescribed by any rules made pursuance to the Act relating to the issue and execution of share certificates.                                 | Directors to comply with rules |

#### **DEMATERIALIZATION / REMATERIALIZATION OF SECURITIES**

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| 28. a) Notwithstanding anything contained in these Articles and subject to compliance with Section 29 of the Act, the Company shall be entitled to dematerialize its securities and to offer securities in a dematerialized form pursuant to Depositories Act and the rules framed there under.<br>b) Notwithstanding anything contained in these Articles, the Company shall be entitled to rematerialize its securities and to offer securities in a rematerialized form pursuant to Depositories Act and the rules framed there under. | Power to dematerialize/rematerialize securities    |
| 29. a) All securities held by a Depository shall be dematerialized and shall be in fungible form.<br><br>b) Nothing contained in Section 89 of the Act shall apply to a Depository in respect of the securities held by it on behalf of the Beneficial Owners.  | Securities in depositories to be in fungible form: |

#### **OPTION TO RECEIVE SECURITY CERTIFICATES OR HOLD SECURITIES WITH DEPOSITORY**

30. i) Every person subscribing to securities offered by the Company shall have the option to receive the Security certificates or hold securities with a depository.
- ii) Where a person opts to hold a Security with a depository, the Company shall intimate such depository the details of allotment of the Security, and on receipt of such information the depository shall enter in its record the name of the allottee as the beneficial owner of that Security.
- iii) *Rights of Depositories and Beneficial Owners :*
- a) Notwithstanding anything to the contrary contained in the Articles, a depository shall be deemed to be registered owner for the purposes of effecting transfer of ownership of Security on behalf of a Beneficial Owner;
- b) Save as otherwise provided in clause (i) above, the depository as

registered owner shall not have any voting rights or any other rights in respect of securities held by it;

c) Every person holding securities of the Company and whose name is entered as Beneficial Owner in the records of the depository shall be deemed to be a member of the Company. The Beneficial Owner shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities held by a depository.

iv) *Depository to furnish information:*

Every depository shall, furnish information about the transfer of securities in the name of the Beneficial Owners at such intervals and in such manner as may be specified by the bye-laws and the Company in that behalf.

v) Notwithstanding anything to the contrary contained in the Articles, where securities are held in a depository, the records of beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or discs.

vi) *Option to opt out in respect of any Security:*

a) If a beneficial owner seeks to opt out of a depository in respect of any Security, he shall inform the depository accordingly.

b) The depository shall on receipt of such intimation make appropriate entries in its records and shall inform the Company.

c) The Company shall, within thirty (30) days of the receipt of intimation from a depository and on fulfillment of such conditions and on payment of such fees as may be specified by the Regulations, issue the certificate of securities to the beneficial owner of the transferee, as the case may be.

## **UNDERWRITING AND BROKERAGE**

31. The Company may, subject to the provisions of Section 40(6) of the Act and other applicable provisions (if any) of the Act and rules made thereunder, at any time pay a commission to any person in connection with his subscribing or agreeing to subscribe or his procuring or agreeing to procure subscriptions, whether absolutely or conditionally, for any shares in or debentures of the Company so that the amount or rate of commission does not exceed in the case of shares, 5% of the price at which the shares are issued and in the case of debentures 2 ½ % of the price at which the debentures are issued. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or debentures or partly in the one way and partly in the other. The Company may also on any issue of shares or debentures pay such brokerage as may be lawful.

Commission for placing shares debentures etc.

## **CALLS**

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| <p>32. The Board of Directors may from time to time, (by a resolution passed at the meeting of the Board and not by circular resolution) but subject to the conditions hereinafter mentioned, make such calls as they think fit, upon the members in respect of all monies unpaid on the shares held by them respectively (whether on account of the capital value of the shares or by way of premium) and which are not by the condition of the allotment, made payable at fixed times and each members shall pay the amount of every call so made on him to the persons and at the times appointed by Directors. A call may be made payable by installment. The call may be revoked or postponed at the discretion of the Board.</p> | <p>Board may make calls</p>                                     |
| <p>33. A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorizing such call was passed and may be made payable by those members whose names appear on the Register of Members on such date, or, at the discretion of the Directors on such subsequent date as shall be fixed by the Directors.</p>   | <p>Call to date from resolution</p>                             |
| <p>34. At least thirty days' notice of every call, otherwise than on allotment, shall be given specifying the time of payment, provided that before the time for payment of such call the Directors may, by notice in writing to the members, revoke the same.</p>   | <p>Notice of Calls</p>  |
| <p>35. The Directors may from time to time, at their discretion extend the time for the payment of any call and may extend such time as to payment of call for any of the members the Directors may deem entitled to such extension save as a matter of grace and favour.</p>  | <p>Directors may extend time.</p>                               |
| <p>36. If by the terms of issue of any shares, any amounts are made payable at any fixed time or by installment at fixed times (whether on account of the nominal amount of the share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall relate to such amount or installment accordingly.</p>   | <p>Amount payable at fixed time or by installments as calls</p> |
| <p>37. If the sum payable in respect of any call or installments be not paid on or before the day appointed for payment thereof, the holder for the time being or allottee of the share(s) in respect of which a call shall have been made or the installments shall be due shall pay interest on the same at such rate as the Directors shall fix from the day appointed for the payment thereof to the time of actual payment but the Directors may waive payment of such interest wholly or in part.</p>  | <p>When interest on call or installment payable</p>             |

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| <p>38. Neither a judgement nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any member in respect of any shares either by way of principle or interest nor any indulgence granted by the Company in respect of the payment of any money shall preclude the forfeiture of such shares as hereinafter provided.</p>   | <p>Judgment decree of partial payment not to preclude forfeiture</p> |
| <p>39. The Directors may, subject to the provisions of section 50 of the Act, receive from any Member willing to advance the same, all or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the money so paid in advance or so much thereof as from time to time the amount of calls then made upon the shares in respect of which such advance has been made the Company may pay interest at such rate as the Member paying such sum in advance and the Directors agree upon and the Company may at any time repay the amount so advanced either by agreement with a Member or otherwise upon giving to such member three months' notice in writing. No Member paying any sum in advance shall be entitled to participate in profits or dividend or dividend or to voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable.</p> | <p>Acceptance of unpaid share capital not called up</p>              |
| <p>40. Subject to the provisions of the Act and these Articles, on the trial or hearing of any action or suit brought by the Company against any member or his legal representative, for the recovery of any money claimed to be due to the Company in respect of any shares, it shall be sufficient to prove that the name of the member in respect of whose shares money is sought to be recovered that the resolution making the calls duly recorded in the minute book, and that notice of such calls was duly posted to the members or his representative in pursuance of these presents, and it shall not be necessary to prove the appointment of the Directors who made such call, 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.</p>   | <p>Evidence of forfeiture</p>  |
| <p>41. Where any calls are made on shares, such calls shall be made on a uniform basis on all shares falling under the same class. For the purposes of this Article, share of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class.</p>  | <p>Calls on shares of same class to be made on uniform basis</p>     |

#### **FORFEITURE, SURRENDER, LIEN**

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| <p>42. If any member fails to pay the whole or any part of any call or installment or any money due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may, at any time thereafter, during such time as the call or installment or any part thereof of other money as aforesaid remain unpaid or a judgment or decree in respect thereof remains unsatisfied in whole</p> | <p>If call or installment not paid notice may be given</p> |
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or in part, serve a notice on such member or on the person (if any) entitled to the shares by transmission, requiring him to pay such call or installment or such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all expenses (Legal or otherwise) that may have been incurred by the Company by reason of such non-payment.

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| <p>43. The Notice shall name a day (not being less than 14 days from the date of the notice) on or before which and the place or place at which such call, installment or such part thereof and such other moneys as aforesaid and such interest and expenses as aforesaid are to be paid, and if payable to any person other than the Company, the person to whom such payment is to be made. The notice shall also state that in the event of non-payment at or before the time and (if payable to any person other than the Company) at the place appointed, the shares in respect of which the call was made or installment is payable will be liable to be forfeited.</p> | <p>Form of notice</p>   |
| <p>44. If the requirements of any such notice as aforesaid shall not be complied with, any of the shares in respect of which such notice has been given may, at any time thereafter but before payment of all calls or installments, interest and expenses and other moneys due in respect thereof, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.</p>   | <p>Shares to be forfeited in default of payment</p>                         |
| <p>45. When any shares shall have been so forfeited, an entry of the forfeiture, with the date thereof, shall be made in the Register of Members and notice of the forfeiture shall be given to the member in whose name they stood immediately prior to the forfeiture but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any entry as aforesaid.</p>   | <p>Entry of forfeiture in Register of Members</p>                           |
| <p>46. The forfeiture of a share shall involve the extinction at the time of the forfeiture of all interest and claims and demands against the Company in respect of the shares forfeited and all other rights incidental to the share, except only such of those right as by these presents are expressly saved.</p>  | <p>Effect of forfeiture</p>   |
| <p>47. Any shares so forfeited shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of either to the original holder thereof or to any other person upon such terms and in such manner as the Board shall think fit.</p>   | <p>Forfeited shares to be property of the Company and may be sold, etc.</p> |
| <p>48. The Directors may, at any time before any shares so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as they think fit.</p>  | <p>Directors may annul forfeiture</p>                                       |
| <p>49. Any person whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company all calls, installments, interest, expenses and other moneys owing upon or in respect of such shares at the time of forfeiture together with interest thereon from the time of the forfeiture until payment at such rates as</p>  | <p>Shareholders liable to pay money owing at the time of</p>                |

the Directors may determine and the Directors may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of forfeiture but shall not be under any obligation to do so.	forfeiture and interest.
50. The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any member, on such terms as they think fit.	Surrender of shares
51. The Company shall have no lien on its fully paid shares. In the case of partly paid up shares, the Company shall have a first and paramount lien on such shares registered in the name of each member, whether solely or jointly with others and upon the proceeds of sale thereof for all moneys called or payable at a fixed time in respect of such shares and whether held solely or jointly with any other person and whether the period for the payment, fulfillment or discharge thereof shall have actually arrived or not, and no equitable interest in any share shall be created except upon the footing, and condition that Article 20 is to have full effect. Any such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares. Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares. The Directors may at any time declare any share to be wholly or in part exempt from the provisions of this Article.	Company's lien on shares
52. For the purpose of enforcing such lien, the Board of Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made unless the sum in respect of which the lien exists is presently payable and until notice in writing of the intention to sell shall have been served on such member, his executors or administrators or his committee, or other legal representatives as the case may be, and default shall have been made by him or them in the payment of the sum payable as aforesaid for fourteen days after the date of such notice. To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof and the purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as aforesaid, the certificate in respect of the shares sold shall stand cancelled and become null and void and of no effect and the Directors shall be entitled to issue a new certificate or certificates in lieu thereof to the purchaser or purchasers concerned.	As to enforcement of lien on sale
53. The net proceeds of any such sale, after payment of the costs of such sale, shall be applied in or towards the satisfaction of such debts, liabilities or engagements of such member and 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 such member or the person (if any) entitled by transmission to the shares so sold.	Application of proceeds of sale
54. A certificate in writing under the hand of a Director, Manager or the Secretary of the Company that the call in respect of a share was made, and notice thereof given, and that default in payment of the call was made, and that the forfeiture of the share was made by a resolution of the Directors to that effect shall be conclusive evidence of the facts stated therein as against all persons entitled to such share.	Certificate of forfeiture

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| <p>55. Upon any sale after forfeiture or for enforcing a lien in the exercise of the powers herein before given, the Board may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the Register in respect of the shares sold and the Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re- allotted or disposed off may be registered as the holder of the share and he shall not be bound to account for the application of the consideration, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the share and after his name has been entered in the Register in respect of such shares, the validity of the sale shall not be impeached by any person.</p> | <p>Title of purchaser and allottee of forfeited shares of shares sold in exercise of lien</p> |
| <p>56. Upon any sale, re-allotment or other disposal of shares under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the relevant shares shall ( unless the same shall, on demand by the Company, have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect and the Directors shall be entitled to issue a new certificate or certificates in respect of the said shares to the person or persons entitled thereto.</p>  | <p>Cancellation of Share Certification in respect of forfeited shares</p>                     |

## TRANSFER AND TRANSMISSIONS OF SHARES

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| <p>57. The instrument of transfer of any shares shall be in writing and all the provisions of Section 56 of the Act and of any statutory modifications thereof for the time being in force shall be duly complied with in respect of all transfers of shares and the registration thereof.</p>   | <p>Form of Transfer</p>   |
| <p>58. Nothing contained in Section 56 of the Act, shall apply to transfer of securities effected by the transferor and the transferee both of whom are entered as Beneficial Owners of the Shares of the Company in the record of the Depository.</p>   | <p>Section 56 of the Act not to apply</p>   |
| <p>59. Company shall maintain a Register of Transfers and therein shall fairly and distinctly enter particulars of every transfer or transmission of any share held in material form.</p>  | <p>Register of Transfer</p>   |
| <p>60. Every such instrument of transfer shall be signed by or on behalf of the transferor and by or on behalf of the transferee and the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register of Members in respect thereof.</p>  | <p>Instrument of transfer to be executed by the transferor and transferee</p>       |
| <p>61. The Company shall not register a transfer of shares in the Company unless a proper instrument of transfer duly stamped, dated and executed by or on behalf of the transferor and the transferee and specifying the name, address and occupation, if any, of the transferee has been delivered to the Company by the transferor and the transferee within the prescribed</p> | <p>Transfer not to be registered except on production of instrument of transfer</p> |

period along with the certificate relating to the shares, or if no such share certificate is in existence along with the letter of allotment of the shares. Provided that, where the instrument of transfer has been lost or 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.

62. Subject to the provisions of Section 58 of the Act, the Directors may at their absolute and uncontrolled discretion, decline to register or acknowledge any transfer of share, in the best interests of the Company, and shall not be bound to give any reason for such refusal. In particular, the Company may so decline in respect of shares upon which the Company has a lien or whilst any moneys in respect of the shares desired to be transferred or any of them remain unpaid and such refusal shall not be affected by the fact that the proposed transferee is already a member. Provided that registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except as stated hereinabove. The registration of the transfer shall be conclusive evidence of the approval by the Directors of the transferee.

Directors may  
refuse to register  
transfer

63. (1) The Company may refuse to register the transfer of any of its securities in the name of the transferee on any one or more of the following grounds:

Grounds of refusal

(i) that the instrument of transfer is not proper or has not been duly stamped and executed or that the certificate relating to the Security has not been delivered to the Company or that any other requirement under the law relating to the registration of such transfer has not been complied with;

(ii) that the transfer of the Security is in contravention of any law;

(iii) that the transfer of the Security is likely to result in such change in the composition of the Board of Directors as would be prejudicial to the interest of the Company or to the public interest;

(iv) that the transfer of the Security is prohibited by any order of any court, tribunal or other authority under any law for the time being in force; and

(v) Any other ground as the Board may think fit in the interest of the Company.

- (2) The transfer of shares, in whatever lot, would not be refused, though there could be no objection to the Company refusing to split a share certificate into several scrips of small denominations or to consider a proposal for transfer of share comprised in a share certificate to several parties, involving such splitting, if on the face of it such splitting/transfer appears to be reasonable or with a genuine need.



(3) Except as above, the Company would not refuse transfer in violation of the Stock Exchange listing requirements on the ground that the number of shares to be transferred is less than any specified number.

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| <p>64. If the Company refuses to register the Transfer of any share or transmission of any right therein the Company shall, within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and transferor, to the person giving intimation of transmission along with reasons for such refusal, as the case may be, and thereupon the provisions of Section 58 of the Act, or any statutory modification thereof for the time being in force shall apply.</p>   | <p>Notice of refusal to be given to transferor and transferee</p> |
| <p>65. A transfer of a share in the Company of a deceased Member thereof made by his legal representative shall, although the legal representative is not himself a member be valid as if he had been a member at the time of the execution of the instrument of transfer.</p>  | <p>Transfer by legal representative</p>                           |
| <p>66. The instrument of transfer after registration shall be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall, on demand, be returned to the persons depositing the same. The Directors may cause to be destroyed all transfer deeds lying with Company for a period of ten years or more.</p>   | <p>Custody of Instrument of transfer</p>                          |
| <p>67. The Directors shall have power, on giving not less than seven days previous notice by advertisement as required by Section 91 of Act to close the transfer books of the Company, the Register of Members or the Register of Debentures holder as the case may be at such time or times and for such period or periods of time not exceeding in the whole 45 days in each year and not exceeding 30 days at a time, as to them may seem fit. The minimum time gap between two book closure and / or record dates would be at least 30 days.</p>   | <p>Closure of transfer books</p>                                  |
| <p>68. The executors or administrators or a holder of a Succession Certificate in respect of the estate of a deceased member, not being one of two or more joint holders shall be the only persons recognized by the Company as having any title to the shares registered in the name of such deceased member and the Company shall not be bound to recognize such executors or administrators unless such executors or administrators shall have first obtained Probate or Letters of Administration as the case may be, from a duly constituted Court in India, provided that in any case where the Directors in their absolute discretion think fit, the Directors may dispense with the production of Probate or Letters of Administration or Succession Certificate and under the provisions of the subsequent Article, register the name of any person who claims to be absolutely entitled to the shares standing in the name of a deceased member, as a member.</p> | <p>Title of shares of deceased holder</p>                         |

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| <p>69. Subject to the provisions contained in the preceding Article, any person becoming entitled to a share in consequence of the death, lunacy or insolvency of any member, upon producing proper evidence of the grant of Probate or Letter of Administrations or Succession Certificate or such other evidence that he sustains the character in respect of which he purports to act under this Article or of his title to the shares as the Board think sufficient may, with the consent of the Board (which it shall not be under any obligation to give), be registered as a member in respect of such shares, or may, subject to the regulations as to transfer hereinbefore contained, transfer such shares. This Article is herein referred to as the transmission Article.</p>   | <p>Transmission<br/>Clause</p>                       |
| <p>70. i) Notwithstanding anything contained herein above, every shareholder of the Company, may at any time, nominate, in the prescribed manner, a person to whom his shares in the Company, shall vest in the event of his death.</p> <p>ii) Where the shares in the Company are held by more than one person jointly, the joint holders may together nominate, in the prescribed manner, a person to whom all the rights in the shares in the Company, shall vest in the event of death of all the joint holders.</p> <p>iii) Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of such shares in the Company, where a nomination made in the prescribed manner purports to confer on any person the right to vest the shares in the Company, the nominee shall, on the death of the shareholder or as the case may be, on the death of the joint holders become entitled to all the rights in such shares, of the holder or, as the case may be, of all the joint holders, to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner.</p> <p>iv) Where the nominee is a minor, it shall be lawful for the holder of the shares, to make the nomination to appoint in the prescribed manner, any person to become entitled to shares in the Company, in the event of his death, during the minority.</p> | <p>Nomination                      of<br/>Shares</p> |

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| <p>71. i) A nominee may upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-to be registered himself as holder of the share; or to make such transfer of the share as the deceased shareholder, could have made.</p> <p>ii) If the nominee elects 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 and such notice shall be accompanied with the death certificate of the deceased shareholder.</p> <p>iii) A nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the share except that he shall not, before being registered as a member in respect of his share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of Company.</p> <p>Provided further that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the share, until the requirements of the notice have been complied with.</p> | <p>Rights of the<br/>Nominee</p>  |
| <p>72. Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse to register a person entitled by transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer for registration.</p>   | <p>Refusal to register in<br/>case of transmission</p>  |
| <p>73. A person entitled to a share by transmission shall subject to the right of the Directors to retain such dividends or moneys as hereinafter provided, be entitled to receive and may give a discharge for any dividends or other moneys payable in respect of the shares.</p>   | <p>Persons entitled<br/>may receive<br/>dividend without<br/>being registered as<br/>member</p> |
| <p>74. Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.</p>   | <p>Board may require<br/>evidence of<br/>transmission</p>                                       |
| <p>75. The Company shall not charge any fee for registration of transfer or transmission in respect of shares or debentures of the Company.</p>   | <p>No fee on transfer or<br/>transmission</p>   |

76. The Company shall incur no liability or responsibility whatsoever in consequence of their registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest (to such shares notwithstanding that the Company may not have notice of such equitable right, title or interest) or may have received a notice prohibiting registration of such transfer and may have entered such notice as referred thereto in any book of the Company, and save as provided by Section 89 of the Act, the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered and referred to in some book of the Company but the Company shall nevertheless be at liberty to consider/give regard and attend to any such notice and give effect thereto, if the Directors so think fit.

Company not liable for disregard of a notice prohibiting registration of transfer

### **MODIFICATION OF RIGHTS**

77. If at any time the share capital is divided into different classes, the rights attached to any class of shares (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of Section 48 of the Act, be modified, commuted, affected, abrogated or varied (whether or not the Company is being wound up) with the consent in writing of the holders of not less than three-fourths of the issued shares of that class, or with the sanction of a Special Resolution passed at a separate meeting of the holder of that class of shares and all the provisions hereinafter contained as to General Meeting shall mutatis mutandis apply to every such meeting.

Rights attached to any class of shares may be varied

### **JOINT HOLDERS**

78. Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as Joint holders with benefits of survivorship subject to the following and other provisions in the Articles:	Joint Holders
a) The Company may be entitled to decline to register more than three persons as the joint holders of any shares.	No registration to more than 3 persons as joint holders
b) The joint Holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.	Liability of joint holders
c) On the death of any such joint holder the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share but the Directors may require such evidence of death as they may deem fit and nothing herein contained shall be taken to release the estate of deceased joint holders from any liability in respect of the shares held by him jointly with any other person.	Death of joint holders
d) Only the person whose name stands first in the Register of Members may give effectual receipts for any dividends or other money payable in respect of such share.	Receipts of one sufficient
e) Only the person whose name stands first in the Register of Members as one of the joint-holders of any share shall be entitled to the service of the notice and/or delivery of the certificate relating to such share or to receive documents (which expression shall be deemed to include all documents referred to in Article 49) from the Company and any documents served on or sent to such person shall be deemed served on all the joint-holders.	Delivery of Certificate and giving of notice to first named holder
f) Any one of two or more joint-holders may vote at any meeting either personally or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting personally or by proxy then that one of such persons so present whose name stands first or higher (as the case may be) on the register in respect of such shares shall alone be entitled to vote in respect thereof but the other or others of the joint holders shall be entitled to be present at the meeting.	Vote of Joint Holders
<p>Provided always that a joint holder present at any meeting personally shall be entitled to vote in preference to a joint holder present by proxy although the name of such joint holder present by proxy stands first or higher in the Register in respect of such shares. Several executors or administrators of a deceased member in whose (deceased member's) sole name any share stands shall for the purposes of this clause be deemed joint holders.</p>	

#### **DECLARATION BY PERSON NOT HOLDING BENEFICIAL INTEREST IN ANY SHARE**

79. (i) Notwithstanding anything herein contained, a person whose name is at any time entered in the Register of Members of the Company as the holder of a share in the Company, but who does not hold the beneficial interest in such share shall, within such time and in such form as may be prescribed, make a declaration to the Company specifying the name and other particulars of the person or persons who hold the beneficial interest in such share in such manner as may be provided in Section 89 of the Act.

Declaration by person not holding beneficial interest in any share

(ii) A person who holds or acquires a beneficial interest in a share or a class of shares of the Company shall, within the time prescribed after his becoming such beneficial owner, make a declaration to the Company specifying the nature of his interest, particulars of the person in whose name the shares stand in the Register of Members of the Company and such other particulars as may be prescribed as provided in Section 89 of the Act;

(iii) Whenever there is a change in the beneficial interest in share referred to above, the beneficial owner shall, within the time prescribed from the date of such change make a declaration to the Company in such form and containing such particulars as may be prescribed as provided in Section 89 of the Act;

(iv) Where any declaration referred to above is made to the Company, the Company shall make a note of such declaration in the Register of Members and file within 30 days from the date of receipt of the declaration by it, a return in the prescribed form with the Registrar with regard to such declaration along with such fees or additional fees as may be prescribed.

#### **COPIES OF MEMORANDUM AND ARTICLES TO BE SENT TO MEMBERS**

80. Copies of the Memorandum and Articles of Association of the Company and other documents referred to in Section 17 of the Act shall be sent by the Company to every member within seven (7) days of his request and on payment of such sum as may be determined by the Board of Directors.

Copies of Memorandum and Articles of Association to be sent by the Company

#### **CONVERSION OF SHARES INTO STOCK**

81. The Company, by ordinary resolution in General Meeting may:  
a) Convert any fully paid-up shares into stock; and  
b) Re-convert any stock into fully paid-up shares of any denomination.

Conversion of shares into stock and reconversion

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| <p>82. 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 shares from which the stock arose.</p>   | <p>Transfer of Stock</p>              |
| <p>83. The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matter, as if they held the shares from which the stock arose but no such privilege or advantage (except as regards dividends, participation in the 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 share, have conferred that privilege or advantage.</p> | <p>Rights of Stock holders</p>        |
| <p>84. Such of the regulations of the Company (other than those relating to share warrants) as are applicable to paid-up shares shall apply to stock and the words "Share" and "Shareholders" in these regulations shall include stock and stockholder respectively.</p>   | <p>Regulations to apply to stocks</p> |

### **BORROWING POWERS**

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| <p>85. Subject to the provisions of the Act and these Articles and without prejudice to the other powers conferred by these Articles, the Directors shall have the power from time to time at their discretion, by a resolution passed at meeting of the Board and not by circular resolution, to accept deposits from members whether in advance of calls or otherwise and generally raise or borrow or secure the payment of any sum or sums of moneys for the purposes of the Company. Provided that where the total amount borrowed at any time 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) exceeds 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, the consent of the Company by way of a Special Resolution shall be required. Such Special Resolution shall specify the total amount up to which moneys may be borrowed by the Board. The expression "temporary loans" in this Article means loans repayable on demand or within six months from the date of the loans such as short terms loans, cash credit arrangements, discounting of bill and the issue of other short-term loans of reasonable character but does not include loans raised for the purpose of financing expenditure of capital nature.</p> | <p>Power to Borrow</p> |
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| <p>86. Subject to the provisions of Act and these Articles, the Directors may, by a resolution passed at a meeting of the Board and not by circular resolution, raise or secure the payment of such sum or sums in such manner and upon such issue of bonds, perpetual or redeemable debentures or debenture-stock, or any mortgage or charge or other Security on the undertaking of the whole or any part of the property of the Company (both present and future) including its uncalled capital for the time being.</p>  | <p>Conditions on which money may be borrowed</p>                    |
| <p>87. Any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company shall be under the control of Directors who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider to be for the benefit of the Company.</p>   | <p>Bonds, Debentures etc. to be subject to control of Directors</p> |
| <p>88. Debentures, debenture-stock, 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.</p>   | <p>Securities may be assignable free from equities</p>              |
| <p>89. Subject to the provisions of the Act and these Articles any bonds, debentures, debenture-stock or other securities may be issued at a premium or otherwise and with any special rights, privileges and conditions as to redemption, surrender, drawings, allotment of shares, attending (but not voting) at general meeting, appointment of Directors or otherwise. Provided that debentures with the right to allotment of or Conversion into shares, either wholly or partly shall not be issued except with the sanction of the Company in General Meeting by way of a Special Resolution.</p>   | <p>Condition on which bonds debentures etc. may be issued</p>       |
| <p>90. If any uncalled capital of the Company is included in or charged by way of mortgage or other Security by the Directors, the Directors shall, subject to the provisions of the Act and these Articles, make calls on the members in respect of such uncalled capital in trust for the persons in whose favour such mortgage or Security is executed or any other person in trust for him to receive moneys on call from the members in respect of such uncalled capital and the provisions hereinbefore contained in regard to calls shall mutatis mutandis apply to calls made under such authority may be made exercisable either conditionally or unconditionally and either presently or contingently and either to the exclusion of the Directors' powers or otherwise and shall be assignable if expressed so to be.</p> | <p>Mortgage of uncalled capital</p>                                 |



91. Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about incur any liability whether as principal or surety for the payment of any sum primarily due from the Company, the Directors may execute any mortgage, charge, or Security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability. Indemnity may be given
92. The Board shall cause a proper Register to be kept in accordance with the provisions of Section 85 of the Act of all mortgages, debentures and charges specifically affecting the property of the Company including all floating charges on the undertaking or any property of the Company, and shall cause the requirements of Sections 71, 77, 79, 81 to 87 (both inclusive) of the Act in that behalf to be duly complied with, within the time prescribed by the said Sections or such extensions thereof as may be permitted by the applicable authority or the Registrar as may be applicable so far as they are to be complied with by the Board. The Company shall, if at any time it issues debentures, keep a Register and Index of Debenture holders in accordance with Section 88 of the Act. Register of mortgages etc. to be kept

## **DEBENTURES**

93. The Company shall have power to issue debentures whether convertible or non-convertible, and whether linked to issue of equity shares or not, among members, but in exercising, this power, provisions of Sections 56, 71, 72, 78, 88, 113 and 117 of the Act and rules made thereunder or any statutory modifications thereof shall be complied with. Power to issue Debentures

## **REGISTRATION OF CHARGES**

94. (i) The provisions of the Act relating to registration of charges which expression shall include mortgages shall be complied with.
- (ii) In the case of a charge created within or out of India on the Company's property or assets or any of its undertaking, whether tangible or otherwise, and situated in or outside India, the provision of Section 77 of the Act shall be complied with.
- (iii) Where any charge on any property of the Company required to be registered under Section 77 of the Act has been so registered, any person acquiring such property, assets, undertakings or part thereof or any share or interest therein, shall be deemed to have notice of the charge as from the date of such registration.
- (iv) In respect of registration of charges on properties acquired subject to charge, the provisions of Section 79 of the Act shall be complied with.

## GENERAL MEETINGS

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| <p>95. Subject to the provisions of Section 96 and 129 of the Act the Company shall, in addition to any other meetings, hold a general meeting (hereinafter called as 'Annual General Meeting') at the intervals and in accordance with the provisions contained in Section 96 of the Act.</p>  | <p>Annual General Meetings</p>   |
| <p>96. All general meetings other than Annual General Meetings shall be called Extra-Ordinary General Meetings.</p>   | <p>Extra-Ordinary General Meetings</p>                                 |
| <p>97. The Board of Directors may call an Extra-Ordinary General Meeting whenever they think fit.</p>   | <p>Directors may call Extra-Ordinary General Meeting</p>               |
| <p>98. (a) The Board of Directors shall, on the requisition of such number of members of the Company who hold, in regard to any matter at the date of receipt of the requisitions, not less than one tenth of such of the paid-up capital of the Company upon which all calls or other moneys then due shall have been paid as at that matter, forthwith proceed duly to call an Extraordinary General Meeting of the Company and the provisions of Section 100 of the Act and the provisions herein below contained shall be applicable to such meeting.</p> <p>b) The requisition shall set out the matters for the consideration of which the meeting is to be called, shall be signed by the requisitionists, and shall be deposited at the Registered Office of the Company.</p> <p>c) The requisition may consist of several documents of the like from each signed by one or more requisitionists.</p> <p>d) Where two or more distinct matters are specified in the requisition, the provisions of clause (a) above shall apply separately in regard to each such matter, and the requisition shall accordingly be valid only in respect of those matters in regard to which the conditions specified in that clause is fulfilled.</p> <p>e) If the Board of Directors do not, within twenty one (21) days from the date of the receipt of valid requisition in regard to any matter, proceed duly to call a meeting for the consideration of those matters on a day not later than forty five days from the date of the receipt of the requisition, the meeting may be called by the requisitionists themselves or by such of the requisitionists as represent either majority in value of the paid up share capital held by all of them or not less than one-tenth of such of the paid up share capital of the Company as is referred to in clause (a) above whichever is less.</p> <p>f) A meeting called under clause (e) above by the requisitionists or any of them shall be called and held in the same manner, as nearly as possible, as that in which meetings are called and held by the Board,</p> | <p>Directors to call Extra-Ordinary General Meeting on requisition</p> |

but shall not be held after the expiration of three months from the date of the deposit of the requisition.

g) Any reasonable expenses incurred by the requisitionist in calling a meeting under clause (e) above shall be reimbursed to the requisitionists by the Company, and any sum so paid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration for their services to such of the Directors as were in default.

h) Where two or more persons hold any shares or interest in the Company jointly, a requisition or a notice calling a meeting signed by one or some of them, shall for the purposes of this Article have the same force and effect as if it has been signed by all of them.

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| 99.  | (i) A general meeting of the Company may be called by giving not less than twenty one days clear notice either in writing or in electronic mode in such manner as may be prescribed.   | Notice of Meeting     |
|      | (ii) However, a general meeting may be called after giving a shorter notice, if the 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.  |                       |
| 100. | (i) Every notice of a meeting of the Company shall specify the place, the date, the day and the hour of the meeting, and shall contain a statement of the business to be transacted thereat.   | Contents of Notice    |
|      | (ii) In every notice there shall appear with reasonable prominence a statement that a member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and that a proxy need not be a member of the Company.  |                       |
| 101. | a) In case of an Annual General Meeting all business to be transacted at the meeting shall be deemed special, with the exception relating to:<br><br>i) the consideration of the Financial Statements and the report of the Board of Directors and auditors;<br>ii) the declaration of any dividend;<br>iii) the appointment of Directors in the place of those retiring;<br>iv) the appointment of and the fixing of the remuneration of the Auditors;<br><br>b) In the case of any other meeting all business shall be deemed special. | Special Business      |
| 102. | Where any item of business to be transacted at the meeting is deemed to be special as aforesaid, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning   | Explanatory Statement |

each such item of business including in particular, the nature of the concern or interest if any, therein of (i) every Director and of the Manager if any; (ii) every other key managerial personnel; and Relatives of the persons mentioned in sub clauses (i) and (ii) and any other information and facts that may enable members to understand the meaning, scope and implications of the items of business and to take decisions thereon. Provided that where any item of special business as aforesaid to be transacted at a meeting of the Company relates to or affects any other company, the extent of shareholding interest in that other company of every promoter, Director, the Manager, if any and of every other key managerial personnel of the Company shall also be set out in the explanatory statement, if the extent of such shareholding interest is not less than 2 per cent of the paid-up share capital of that other company.

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| 103. | Where any item of business to be transacted at the meeting refers to any document, the time and place where the document can be inspected shall be specified in the explanatory statement.  | Inspection of document mentioned in explanatory statement |
| 104. | Notice of every meeting shall be given to every member of the Company in any manner authorized by sub-section (2) of Section 20 of the Act and by these Articles.   | Service of Notice   |
| 105. | Notice of every meeting of the Company and every other communication relating to any general meeting of the Company which any member of the Company is entitled to have sent to him, shall be given to the Auditor or Auditors for the time being of the Company in the manner authorized by Section 20 of the Act, as in the case of any member or members of the Company.   | Notice to be given to the Auditors                        |
| 106. | The accidental omission to give notice of any meeting to or the non-receipt of any notice by any member or other person to whom it should be given shall not invalidate the proceedings at the meeting or the resolutions passed thereat.   | As to omission to give notice                             |
| 107. | <p>(a) Where, by any provision contained in the Act or in these Articles, Special Notice is required of any resolution, notice of the intention to move the resolution shall be given to the Company by such number of members holding not less than one per cent of total voting power or holding shares on which such aggregate sum not exceeding Rs. 5 lakhs, not earlier than three months but not less than fourteen days before the meeting at which it is to be moved exclusive of the days on which the notice is served and the day of the meeting.</p> <p>b) 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 not earlier than three months but</p> | Resolutions requiring Special Notice                      |

at least fourteen days before the meeting exclusive of the day of dispatch of the notice and the day of the meeting, in the same manner as it gives its notice of any general meeting. If that is not practicable, the notice shall be published in English language in English newspaper and in vernacular language in a vernacular newspaper, both having wide circulation in the State where the registered office of the Company is situated and such notice shall also be posted on the website, if any, of the Company. Such notice shall be published not less than seven days before the meeting exclusive of the day of publication of the notice and day of the meeting.

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| 108. | Upon a requisition of members complying with Section 111 of the said Act, the Directors shall duly comply with the obligation of the Company under the said Act relating to circulation of members resolutions and statements.        | Circulation of member's resolution                  |
| 109. | No General Meeting, Annual or Extra-ordinary, shall be competent to enter upon, discuss or transact any business or statement of which has not been specified in the notice covering the meeting, except as provided in the said Act. | Business which may not be transacted at the meeting |

### PROCEEDINGS AT GENERAL MEETINGS

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| 110. | <p>i) The quorum for a general meeting shall be as follows:</p> <p>a) Five members personally present if the number of members as on the date of meeting is not more than one thousand;</p> <p>b) Fifteen members personally present if the number of members as on the date of meeting is more than one thousand but up to five thousand;</p> <p>c) Thirty members personally present if the number of members as on the date of the meeting exceeds five thousand.</p> <p>ii) No business shall be transacted at any general meeting unless the requisite quorum be present at the commencement of the meeting.</p>   | Quorum at General meeting           |
| 111. | If, within half an hour after the time appointed for the holding of a general meeting, quorum be not present, the meeting, if convened on the requisition of shareholders shall be dissolved and in every other case, shall stand adjourned to the same day in the next week at the same time and place or to such other day, time and place as the Directors may by notice to the shareholders appoint. If even at such adjourned meeting the requisite quorum is not present within half an hour from the time appointed for holding the meeting, those members present shall be the quorum and may transact the business for which the meeting was called. | Proceedings when quorum not present |

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| 112. | No business shall be transacted at any adjourned meeting other than the business which might have been transacted at the meeting from which the meeting from which the adjournment took place.   | Business of adjourned meetings  |
| 113. | The Chairman of the Board of Directors, and in his absence the Vice Chairman of the Board of Directors shall be entitled to take the chair at every General Meeting. If there be no Chairman or if at any meeting, he shall not be present within 15 minutes after the time appointed for holding such meeting or is unwilling to act, the Vice Chairman, or in the case of his absence or refusal, the Directors present may choose a Chairman, and in default of their doing so the members present shall choose one of the Directors to be the Chairman, and if no Director present be willing to take the chair, the members present shall choose one of the members to be the Chairman. | Chairman  |
| 114. | <p>a) No business shall be discussed at any general meeting except the election of Chairman whilst the chair is vacant.</p> <p>b) If a poll is demanded on the election of the Chairman, it shall be taken forthwith in accordance with the provisions of the Act and these Articles and the Chairman so elected shall continue to exercise all the powers of the Chairman under the Act and these Articles. Where some other person is elected as a Chairman as a result of the poll, he shall then be the Chairman for the rest of the meeting.</p>  | Business confined to decision of Chairman whilst chair vacant           |
| 115. | The Chairman with the consent of any meeting at which a quorum is present can adjourn any meeting from time to time and from place to place in the city or town or village where the registered office of the Company is situated.   | Chairman with consent may adjourn meeting                               |
| 116. | 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. Save as aforesaid and as provided in Section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.  | Notice to be given where a meeting is adjourned for thirty days or more |
| 117. | At any general meeting, a resolution put to the vote at the meeting shall, unless a poll is (before or on the declaration of the result on a show of hands) demanded or the voting is carried out electronically be decided on a show of hands and unless a poll is so demanded, a declaration by the Chairman that a resolution has been carried, either unanimously or by a particular majority, and an entry to that effect in the books containing the minutes of the proceedings of the Company, shall be conclusive evidence of the fact without proof of the number or proportion of the votes cast in favour of or against such resolution.  | Evidence of the passing of a resolution where poll not demanded         |

118. Before or on declaration of the result of the voting on a show of hands, the Chairman may on his own motion, order a poll to be taken. Poll shall also be ordered by Chairman if it is demanded by one or more members present at the meeting in person or by proxy and holding shares or being entitled to votes at least to the extent stipulated by Section 109 of the Act. The demand for a poll may be withdrawn at any time by the person or persons who made the demand. Demand for poll
119. A poll demanded on any question (other than the election of the Chairman or on question of adjournment, which shall be taken forthwith) shall be taken at such place in the city/town or village in which the Registered Office of the Company is situated and at such time not being later than forty eight hours from the time when the demand was made as the Chairman may direct. Subject to the provisions of the Act, the Chairman of the meeting shall have power to regulate the manner in which a poll shall be taken, including the power to take the poll by open voting or by secret ballot and either at once or after the interval or adjournment or otherwise and the result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken. Time and manner of taking poll
120. i) When a poll is to be taken, the Chairman of the meeting shall appoint such number of scrutinisers, as he deems necessary to scrutinize the votes given on the poll and to report, thereon to him in the manner as may be prescribed. Of the scrutinisers appointed under this Article, one shall always be a member (not being an officer or employee of the Company) present at the meeting provided such a member is available and willing to be appointed. Scrutinisers at poll, postal ballot and e-voting
- ii) In case the Act and rules framed thereunder or SEBI requires the Company to provide to its members facility to exercise their right to vote at general meetings by electronic means, the Board of Directors shall appoint one or more scrutinisers, who may be Chartered Accountant in practice, Cost Accountant in practice, or Company Secretary in practice, or an Advocate, or any other person who is not in the employment of the Company and is person of repute who, in the opinion of the Board can scrutinize the voting and the remote e-voting process in a fair and transparent manner.
121. In the case of resolution relating to such business as the Central Government may, by notification, declare to be conducted only by postal ballot, the Company shall get such resolutions passed by means of a postal ballot, instead of transacting such business in the general meeting of the Company. Where the Company is required to, or decides to, as the case may be, get a resolution passed by means of a postal ballot, the provisions of section 110 of the Act and the rules framed there under shall be complied with. Postal Ballot

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| <p>122. The demand for a poll shall not prevent the continuance of a meeting for transaction of any business other than question on which the poll has been demanded.</p>   | <p>Demand for poll not to prevent transaction of other business</p> |
| <p>123. In the case of an equality of votes, whether on a show of hands or on a poll the Chairman of the meeting at which the show of hands has taken place, or at which the poll is demanded, shall be entitled to second or casting vote in addition to the vote or votes to which he may be entitled as a member.</p>  | <p>Resolutions to be decided in case of equality of votes</p>       |
| <p>124. At every Annual General Meeting of the Company, the Directors Report and audited statement of Accounts, Auditors' Report (if not already incorporated in the statement of accounts), the Proxy Register with proxies and the Register of Directors, Key Managerial Personnel and their shareholding maintained under Section 170 of the Act shall be laid before the Shareholders of the Company. The qualifications, observations or comments or other remarks on the financial transactions or matters which have any adverse effect on the functioning of the company, if any, mentioned in the Auditors' Report shall be read at the Annual General Meeting and attention of the Members present shall be drawn to the explanations / comments given by the Board of Directors in their report and shall be open to inspection by any member of the Company. The qualifications, observations or comments or other remarks if any, mentioned in the Secretarial Audit Report issued by the Company Secretary in Practice, shall be read at the Annual General Meeting and attention of Members present shall be drawn to the explanations / comments given by the Board of Directors in their report.</p> <p>Where a company has one or more subsidiaries, it shall prepare consolidated Financial Statement of the company and of all the subsidiaries in the same form and manner as that of its own which shall also be laid before the annual general meeting of the company along with the laying of its Financial Statement as mentioned above. The Company shall also attach along with its audited statement of accounts, a separate statement containing the salient features of the audited accounts of its subsidiary or subsidiaries in such form as may be prescribed.</p> | <p>Reports, Statements and Registers to be laid on the table</p>    |
| <p>125. A copy of each of the following resolutions (together with a copy of the statement of material facts annexed under Section 102 of the Act to the notice of the meeting in which such resolution has been passed) and agreements shall, within such period as may be prescribed after the passing or making thereof, be printed or typewritten and duly certified under the signature of an officer of the Company and filed with the Registrar:</p> <p style="margin-left: 40px;">a) Special Resolutions;</p> <p style="margin-left: 40px;">b) Resolution which have been agreed to by all the members of the</p>   | <p>Registration of certain Resolution and Agreements</p>            |



Company but which, if not so agreed to, would not have been effective for their purpose unless they had been passed as Special Resolutions;

c) Resolutions of the Board of agreements relating to the appointment or reappointment or the renewal of the appointment or variation of the terms of appointment of a Managing Director;

d) Resolutions or agreements which have been agreed to by all the members of any class of shareholders but which if not so agreed to, would not have been effective for their purpose unless they had been passed by some particular majority or otherwise in some particular manner, and all resolutions or agreements which effectively bind all the members or any class of shareholders though not agreed to by all those members;

e) Resolution requiring the Company to be wound up voluntarily passed in pursuance of Section 304 of the Act;

f) Resolutions passed in accordance with Sub Section (3) of Section 179 of the Act;

g) Any other resolution or agreement as may be prescribed to be placed in the public domain.

A copy of every resolution of the Company which has the effect of altering the Articles of the Company and a copy of every agreement referred to in the above clauses (c), (d) and (g) shall be embodied in or annexed to every copy of the Articles of the Company issued after the passing of the resolution or the making of the agreement.

126. The Company shall cause minutes of all proceedings of every general meeting to be kept in accordance with the provisions of Section 118 of the Act by making, within thirty days of the conclusion of each such meeting, entries thereof in books kept for that purpose with their pages consecutively numbered. Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting in such books shall be dated and signed by the Chairman of the same meeting within the aforesaid period of thirty days or in the event of the death or inability of the Chairman within that period, by a Director duly authorized by the Board for that purpose, in no case the minutes of the proceedings or a meeting shall be attached to any such book as aforesaid by pasting or otherwise. Any such minutes kept as aforesaid shall be evidence of the proceedings recorded therein.

Minutes of General Meeting

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| 127. | The books containing the aforesaid minutes shall be kept at the Registered Office and be open during business hours to the inspection of any member without charge subject to such reasonable restrictions as the Company may by these Articles or in General Meeting impose in accordance with Section 119 of the Act. Any member shall be entitled to be furnished, within seven days after he had made a request in that behalf to the Company with a copy of the minutes on payment of Rs. 10 per page or part of any page. Provided that a member who has made a request for provision of soft copy in respect of minutes of any previous general meetings held during a period immediately preceding three financial years shall be entitled to be furnished, with the same free of cost. | Inspection of Minutes Book of General Meetings           |
| 128. | No report of the proceedings of any general meeting of the Company shall be circulated or advertised at the expense of the Company unless it includes the matters required by these Articles or Section 119 of the Act to be contained in the Minutes of the proceedings of such meeting.   | Publication of report of proceedings of General Meetings |

#### **VOTE OF MEMBERS**

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| 129. | Subject to the provisions of the Act and these Articles, votes may be given either personally or by proxy (only on poll) or in the case of a Body Corporate also by a representative duly authorized under Section 113 of the Act.  | Votes may be given by proxy or attorney |
| 130. | <p>Subject to the provisions of the Act:</p> <p>a) On a show of hands, every holder of equity shares entitled to vote and present in person shall have one vote and upon a poll every holder of equity shares entitled to vote and present in person or by proxy shall have voting rights in proportion to his share in the paid-up equity Capital of the Company.</p> <p>b) Every holder of a preference share in the capital of Company shall be entitled to vote at a General Meeting of Company only in accordance with the limitations and provisions laid down in Section 47(2) of the Act.</p> <p>c) A member may exercise his vote at a meeting by electronic means and shall vote only once.</p> | Prescribed mode of voting               |

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| 131. | 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. If any member is a minor, the vote in respect of his share or shares shall be by his guardian or any one of his guardians, if more than one, to be selected in case of dispute by the Chairman of the Meeting.  | Voting by members of unsound mind and minors          |
| 132. | Subject to the provisions of the Act, no member shall be entitled to be present or to vote at any General Meeting either personally or by proxy or be reckoned in a quorum whilst any call or other sums shall be due and payable to the Company in respect of any of the shares of such member.  | No member to vote unless calls are paid up            |
| 133. | On a poll taken at a meeting of the Company, a member entitled to more than one vote, or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.  | Member entitled to cast his vote differently          |
| 134. | Any person entitled under the transmission Article (Article 69) to transfer any share shall not be entitled to be present, or to vote at any meeting either personally or by proxy, in respect of such shares, unless at least forty-eight hours before the time for holding the meeting or adjourned meeting as the case may be, at which he proposes to be present and to vote, he shall have satisfied the Directors of his right to transfer such shares (as to which the opinion of the Directors shall be final) or unless the Directors shall have previously admitted his right to vote in respect thereof. | Votes of a person entitled to a share on transmission |
| 135. | Any member entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person (whether a member or not) as his proxy to attend and vote instead of himself but a proxy so appointed shall not have any right to speak at the meeting and shall not be entitled to vote except on a poll.   | Appointment of proxy                                  |
| 136. | Every proxy shall be appointed by an instrument in writing signed by the appointer or his attorney duly authorized in writing, or if the appointer is a Body Corporate, be under its seal or be signed by an Officer or an attorney duly authorized by it.  | Deposit of instrument of proxy                        |

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| 137. | a) The instrument of proxy shall be deposited at the office of the Company not less than forty eight hours before the time for holding the meeting at which the person named in the instrument proposes to vote and in default, the instrument of proxy shall not be treated as valid. No instrument appointing proxy shall be valid after the expiration of twelve months from the date of its execution except in the case of the adjournment of any meeting first held previously to the expiration of such time.          | Timing of deposit of proxy  |
|      | b) Every member entitled to vote at a meeting of the Company according to the provisions of these Articles on any resolution to be moved thereat, shall be entitled, during the period beginning twenty four hours before the time fixed for the commencement of the meeting, and ending with the conclusion of the meeting, to inspect, the proxies lodged at any time during the business hours of the Company provided not less than three days' notice in writing of the intention so to inspect is given to the Company. |   |
| 138. | An instrument appointing a proxy shall be in such form as may be prescribed by the Act from time to time.   | Form of proxy   |
| 139. | If any such instrument be confined to the object of appointing a proxy for voting at a meeting of the Company, it shall remain permanently or fix such time as the Directors may determine, in the custody of the Company, and if embracing other objects, a copy thereof, examined with the original, shall be delivered to the Company to remain in the custody of the Company.   | Custody of the instrument of proxy                                      |
| 140. | A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or subsequent insanity of the principal or revocation of the proxy under such proxy was signed or the transfer of the shares in respect of which the vote is given provided that no intimation in writing of the death, insanity revocation or transfer shall have been received at the office of the Company before the meeting.   | Validity of votes given by proxy notwithstanding death of members, etc. |
| 141. | Subject to the provisions of the Act and these Articles, no objection shall be made to the validity of any vote except at the meeting or poll at which such vote is tendered and every vote whether given personally or by proxy or by any means hereby authorized, and not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever.   | Times for objection to votes  |

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| 142. | Subject to the provisions of the Act and these Articles, the Chairman of any meeting shall be the sole judge of the validity of every vote tendered or given at such meeting and subject as aforesaid, the Chairman present at the time of taking of a poll shall be the sole judge of the validity of every vote tendered at such poll. | Chairman of any meeting to be the judge of validity of any vote |
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## DIRECTORS

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| 143. | Subject to the provisions of Section 149 of the Act, the number of Directors shall not be less than three, and unless otherwise determined by the Company in a general meeting, not more than as stipulated under the Act. The Board composition shall include such number of independent Directors as required under the provisions of the Act and Listing Regulations. | Number of Directors |
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| 144. | Subject to the provisions of the Act, the Company shall be entitled to agree with any person, firm or corporation that he or it shall have right to appoint his or its nominee on the Board of Directors of the Company upon such terms and conditions as may be prescribed from time to time. | Agreement to appoint Directors |
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| 145. | Every Independent Director shall at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect his status as an independent Director, give a declaration that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act or as defined in the definition clause of these Articles. Notwithstanding anything contained in these Articles, the terms of appointment, manner of selection, remuneration, tenure of office, etc. of an Independent Director shall be subject to the provisions of the Act. | Independent Director |
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Independent Director shall not be liable to retire by rotation.

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| 146. | The Company may agree with any financial institution or any authority or person or State Government that in consideration of any loan or financial assistance of any kind whatsoever, which may be rendered by it to the Company, it shall till such time as the loans or financial assistance is outstanding have power to nominate one or more Directors on the Board of the Company and from time to time remove and re-appoint such Directors and to fill in any vacancy caused by the death or resignation of such Directors otherwise ceasing to hold office. Such Nominee Directors shall not be required to hold any qualification shares nor shall they be liable to retire by rotation. | Nominee Directors |
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147. Any trust deed for securing debentures or debenture-stock may, if so specified therein, provides for the appointment, from time to time by the Trustees thereof or by the holders, of the debentures or debenture-stock of some person to be a Director of the Company and may empower such trustees or holder of debentures or debenture-stock from time to time to remove any Director so appointed. The Director appointed under this Article is herein referred to as the “Debenture Director” and the term “Debenture Director” means the Director for the time being in office under this Article. The Debenture Director shall not be bound to hold any qualification shares and shall not be liable to retire by rotation or, subject to the provision of the Act, 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.
148. The Board of Directors of the Company may appoint an alternate Director (not being a person holding any alternate Directorship for any other Director in the Company) to act for a Director (hereinafter called “the Original Director”) during his absence for a period of not less than three months from India. Provided that no person shall be appointed as an alternate Director for an Independent Director unless he is qualified to be appointed as an independent Director under the Act. Such appointment shall have effect and such appointee, whilst he holds office as an Alternate Director, shall be entitled to receive notice of meetings of the Board and to attend and vote thereat accordingly. An Alternate Director appointed under this Article should not hold office as such for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office, if and when the Original Director returns to India. If the term of office of the Original Director is determined before he so returns to India, any provision in the Act or in these Articles for the automatic re- appointment of a retiring Director in default of any other appointment shall apply to the Original Director and not to the Alternate Director.
149. Subject to the provisions of Section 161(4), 169(7) and other applicable provisions (if any) of the Act, any casual vacancy occurring in the office of a Director before the term of office of such Director expires, may be filled up by the Directors at a meeting of the Board. Any person so appointed would have held office, if the vacancy had not occurred and shall hold office only upto the date upto which the Director in whose place he is so appointed would have held the office if it had not been vacated. Provided that, where a vacancy is created by removal of a Director, the Director who was removed from office shall not be re- appointed as the Director by the Board.
- Debenture Director
- Appointment of Alternate Directors
- Casual Vacancy

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| 150. | Subject to the provisions of Section 161 and other applicable provisions (if any) of the Act, the Directors shall have power at any time and from time to time to appoint a person or persons, other than a person who fails to get appointed as a Director in a general meeting, as Additional Director or Directors. Such Additional Director shall hold office only up to the date of the next Annual General Meeting of the Company or the last date on which the Annual General Meeting should have been held, whichever is earlier, but shall be eligible for re- election at that meeting as a Director, provided that the number of Directors and the Additional Director together, shall not exceed the maximum strength fixed for the Board under the Act or by Article 143 hereof.   | Appointment of Additional Directors |
| 151. | A Director of the Company shall not be bound to hold any qualification shares.  | Qualifications of Directors         |
| 152. | Subject to the provisions of Section 197 of the Act and other applicable provisions, if any, the remuneration payable to the Director of the Company shall be as hereinafter provided.  | Remuneration of Directors           |
|      | a) The fees payable to a Director for attending a meeting of the Board or a committee of the Board of Directors from time to time shall be within the maximum limits of such fees that may be prescribed under Section 197 of the Act, or if, not so prescribed in such a manner as the Directors may determine from time to time in conformity with the provisions of law. The Directors shall be paid such further remuneration if any, either on the basis of percentage on the net profits of the Company or otherwise, as the Company in General Meeting shall from time to time determine, and such additional remuneration and further remuneration shall be divided amongst the Directors in such proportion and manner as the Board may from time to time determine, and in default of such determination, shall be divided amongst the Directors equally. |                                     |
|      | b) The Board of Directors may in addition allow and pay to any Director who is not a resident of the place where a meeting of the Board or committee or a general meeting of the Company is held, and who shall come to the place for the purpose of attending the meeting, such sum as the Board may consider fair compensation for his traveling, hotel, boarding, lodging and other expenses incurred in attending or returning from meetings of the Board of Directors, or any committee thereof or general meetings of the Company.  |                                     |
|      | c) Subject to the limitations provided by the Act, Listing Regulations and this Article, if any Director shall be called upon to go or reside out of his usual place or residence on the Company's business or otherwise perform extra service outside the scope of his ordinary duties, the Board may arrange with such Director for such special remuneration for such service either by way of salary, commission, or the payment of stated sum of money as they shall think fit, in addition  |                                     |





i) with a Body Corporate in which such Director or such Director in association with any other Director, holds more than two per cent shareholding of that Body Corporate, or is a promoter, manager, Chief Executive Officer of that Body Corporate; or

ii) with a firm or other entity in which, such Director is a partner, owner or member, as the case may be.

shall disclose the nature of his concern or interest at a meeting of the Board of Directors in which such contract or arrangement is discussed and shall not participate in such meeting.

Provided that where a Director was not concerned or interested at the time of entering into such contract or arrangement, he shall, if he becomes concerned or interested after the contract or arrangement is entered into, disclose his concern or interest forthwith when he becomes concerned or interested or at the first meeting of the Board held after he becomes so concerned or interested.

d) For the purpose of this Article, the disclosure to be made by a Director, shall be made by way of a notice in the form if any prescribed by the Act.

e) Nothing contained in clauses (b), (c) and (d) hereof shall apply to any contract or arrangement entered into or to be entered into between the Company and any other Company where any one of the Directors of the Company or two or more of them together holds or hold not more than two percent of the paid up share capital in the other company.

155. a) The Company shall keep one or more Registers in accordance with Section 189 of the Act in which shall be entered separately particulars of all contracts or arrangements to which Sub-Section (2) of s 184 or Section 188 of the Act applies.

Register of contracts in which Directors are interested

b) The entries in such Registers shall be made at once, whenever there is a cause to make the entry, in chronological order and shall be authenticated by the Company Secretary of the Company or by any other person authorized by the Board for this purpose. The Registers shall be placed before the next meeting of the Board and shall then be signed by all the Directors present at the meeting. The Registers shall also be produced at the commencement of every Annual General Meeting of the Company and shall remain open and accessible during the continuance of the meeting to any person having the right to attend the meeting;

Register of contracts in which Directors are interested.

c) The Registers aforesaid shall also specify, in relation to each Director of the Company, the particulars of the firms or bodies corporate or other association of individuals, in which such Director has any concern or interest, of which notice has been given by him under sub- Section (1) of Section 184 of the Act.

- d) Nothing in the foregoing clauses (a), (b) and (c) shall apply to any contract or arrangement for the sale, purchase or supply of any goods, materials or services if the value of such goods and materials or the cost of such services does not exceed five lakh rupees in the aggregate in any year.
- e) The Registers as aforesaid shall be kept at the Registered Office of the Company and they shall be open to inspection at such office and extracts may be taken from any of them and copies thereof may be required by any member of the Company on payment of fees of Rs.10 per page.
156. A Director of the Company may become a Director of any company promoted by the Company, or in which it may be interested as vendor, member or otherwise and subject to the provisions of the Act and these Articles, no such Director shall be accountable for any benefits received as a Director or member of such Company. Directors may be Directors of Companies promoted by the Company
157. A Director or Manager shall give notice in writing to the Company of his holding of shares and debentures of the Company or its subsidiary, together with such particulars as may be necessary to enable the Company to comply with the provisions of Section 170 of the Act. If such notice be not given at a meeting of the Board, the Director or Manager shall take all reasonable steps to secure that it is brought up and read at the meeting of the Board next after it is given. The Company shall enter the particulars of the Director's and Manager's holding of the shares and debentures as aforesaid in a Register kept for their purpose in conformity with Section 170 of the Act. Register of Directors and Key Managerial Personnel
158. The Company shall observe the restrictions imposed on the Company in regard to grant of loan to Directors and other persons as provided in Section 185 and other applicable provisions, if any, of the Act. Loans to Directors
159. Except as provided in and subject to the limitations and restrictions contained in Section 188 of the Act and the Listing Regulations (as may be applicable), the Company shall not enter into any contract or arrangement with a Related Party with respect to: Related Party Transactions
- a) for the sale, purchase or supply of any goods or materials;
  - b) selling or otherwise disposing of, or buying, property of any kind;
  - c) leasing of property of any kind;
  - d) availing or rendering of any services;

- e) appointment of any agent for purchase or sale of goods, materials, services or property;
- f) such Related Party's appointment to any office or place of profit in the Company, its subsidiary company or associate company;
- g) for underwriting the subscription of any securities or derivatives thereof, of the Company.
160. 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 minimum/maximum permissible limits. Provided that the Company may increase the number of Directors beyond the permissible maximum limit as per the Act only after passing a Special Resolution.

Increase or  
reduction in number  
of Directors

### **RETIREMENT AND ROTATION OF DIRECTORS**

161. Subject to Section 152 of the Act, all the Directors of the Company, other than Independent Directors and the Managing Director shall be liable to retire by rotation. However notwithstanding anything contained in these Articles, when the total number of non-retiring Directors, inclusive of Managing Director and Independent Directors exceeds one-third of the total number of Directors or the number permissible under the provisions of the Act for non-rotation of the Directors, as the case may be, the Board shall decide as to out of them whose period of office shall be liable to determination by retirement by rotation, from time to time as and when a situation arises.
162. At every 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 the number nearest to one third shall retire from office.
163. Save and except as provided under the Act, the expression "Retiring Director" means a Director retiring by rotation.
164. Subject to the provisions of the Act and these Articles, the Directors to retire under the foregoing Article at every Annual General Meeting shall be those who have been longest in the office since their last appointment, but as between persons who become Directors on the same day, those who are to retire shall in default of and subject to any agreement among themselves, be determined by lot. Subject to the provisions of the Act, a retiring Director shall remain in office until the conclusion of the meeting at which his re-appointment is decided or his successor is appointed.

Retirement of  
Directors

Meaning of Retiring  
Director

Ascertainment of  
Directors retiring by  
rotation

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| 165. | Subject to the provisions of the Act and these Articles, a retiring Director shall be eligible for re-appointment.   | Eligibly of re-appointment  |
| 166. | The Company at the Annual General Meeting at which a Director retires in the manner aforesaid may fill up the vacated office by electing the retiring Director or some other person thereto.   | Company to fill up vacancy  |
| 167. | <p>a) If the place of the retiring Director or 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 national holiday, at the same time and place.</p> <p>b) If at the adjourned meeting also the place of the retiring Director or Directors is not filled up and the meeting also has not expressly resolved not to fill the vacancy the retiring Director or Directors shall be deemed to have been re-appointed at the adjourned meeting unless:</p> <p>i) at the meeting or at the previous meeting a resolution for the re-appointment of such Director or Directors has been put to the meeting and lost;</p> <p>ii) the retiring Director or Directors has or have by a notice in writing addressed to the Company or its Board of Directors expressed his or their unwillingness to be so re-appointed;</p> <p>iii) he is or they are not qualified or is disqualified for appointment;</p> <p>iv) a resolution whether special or ordinary, is required for their appointment or re-appointment by virtue of any provisions of the Act;</p> | Provision in default of appointment   |
| 168. | <p>a) Subject to the provisions of the Act and these Articles, any person who is not a retiring Director shall be eligible for appointment to the office of the Director at any General Meeting if he or some member intending to propose him has, at least fourteen clear days before the meeting, left at the Registered office of the Company a notice in writing under his hand signifying his candidature for the office of Director or the intention of such member to propose him as a candidate for that office as the case may be along with a deposit of Rs. 1,00,000 (Rupees One Lakh only) or such higher amount as may be prescribed which shall be refundable only if the candidate in respect of whom such deposit is made has duly been elected as Director or if he gets more than 25% of total valid votes cast either on show of hands or on poll on such resolution.</p> <p>b) A person appointed as a Director shall not act as a Director unless he gives his consent to the Company to hold the office as Director</p>  | <p>Notice of candidature for office of Directors</p> <p>Consent to act as Directors</p> |

and files the same with the Registrar within the prescribed time.

c) On receipt of the notice referred to in this Article, the Company shall at least seven days before the general meeting inform its members of the candidature of that person for the office of a Director or of the intention of member to propose such person as a candidate for that office (1) by serving individual notices on members through electronic mode to such members who have provided their email addresses to the Company for communication purposes, and in writing to all other members; and (2) by placing notice of such candidature or intention on the website of the Company, if any. Provided that it shall not be necessary for the Company to serve individual notices upon the members if the Company advertises such candidature or intention not less than seven days before the meeting at-least once in a vernacular newspaper in the principal vernacular language of the district in which the Registered Office of the Company is situated, and circulating in that district, and at least once in English Language in an English newspaper circulating in that district.

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| 169. | At a General Meeting of the Company, a motion shall not be made for the appointment of two or more persons as Directors of the Company by single resolution. Provided that it shall be so made, if it has first been agreed to by the meeting without any vote given against it. A resolution moved in contravention of this Article shall be void whether or not objection so moved is passed. No provision for the automatic re-appointment of retiring Directors by virtue of these Articles or the Act in default of another appointment shall apply.   | Individual<br>Resolution<br>Directors<br>Appointment | for                |
| 170. | Subject to the provisions of Section 152 and Section 149 of the Act, whenever the Directors enter into a contract with any government, Central, State or Local, or any person or persons for borrowing any money or for providing any guarantee or security or for technical collaboration or assistance or for underwriting or enter into any other arrangement whatsoever the Directors shall have, subject to the provisions of Section 152 of the Act, the power to agree that such government, person or persons shall have the right to appoint or nominate by a notice in writing addressed to the Company one or more Directors on the Board for such period and upon such conditions as may be mentioned in the Agreement and that such Director or Directors may not be liable to retire nor be required to hold any qualification shares. The Directors may also agree that any such Director or Directors may be removed from time to time by the government, person or persons entitled to appoint or nominate them and such person or persons may appoint another or others in his or their place and also fill in any vacancy, which may occur as a result of any such Director or Directors ceasing to hold that office for any reason whatever. The Directors appointed or nominated under this Article shall be entitled to exercise and enjoy all or any of the rights | Power to<br>Ex-<br>Directors                         | Appoint<br>Officio |

and privileges exercised and enjoyed by the Directors of the Company including the payment of remuneration and traveling expenses to such Director or Directors as may be agreed by the Company with such person or persons aforesaid

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| 171. | All Directors other than the non-retiring Directors shall be elected by the shareholders of the Company in General Meeting and shall be liable to retirement by rotation as herein provided.  | Directors to be<br>elected by<br>Shareholders. |
| 172. | The Directors may from time to time designate any person to be a Departmental, Functional, Divisional or Local Director and define, limit or restrict his powers and duties and determine his remuneration and the designation of his office and may at any time remove any such persons from such office. A Departmental, Functional, Divisional or Local Director (notwithstanding that the designation of his office may include the word "Director") shall not by virtue of such office be or have power in any respect to act as a Director of the Company, nor be entitled to receive notice of or attend or vote at Meetings of the Directors, nor be deemed to be a Director for any of the purposes of these presents.   | Departmental<br>Directors                      |
| 173. | <p>a) The Company may, subject to the provisions of Section 169 and other applicable provisions of the Act and these Articles remove any Director before the expiry of his period of office.</p> <p>b) Special notice as provided by Section 115 of the Act shall be given, of any resolution to remove a Director under this Article or to appoint some other person in place of a Director so removed at the meeting at which he is removed.</p> <p>c) On receipt of notice of any such resolution to remove a Director under this Article, the Company shall forthwith send a copy thereof to the Director concerned and the Director (whether or not he is a member of the Company) shall be entitled to be heard on the resolution at the meeting.</p> <p>d) Where notice is given of a resolution to remove a Director under this Article and the Director concerned makes with respect thereto, representation in writing to the Company and requests its notification to members of the Company, the Company shall unless the representation is received by it too late for it to do (a) in the notice of the resolution given to the members of the Company state the fact of the representation having been made and (b) send a copy of the representation to every member of the Company to whom the notice of the meeting has been sent (whether before or after receipt of the representation by the Company) and if a copy of the representation is not sent as aforesaid due to insufficient time or because of the Company's default the Director may (without prejudice to his right to be heard orally) require that the representation shall be read out at the meeting. Provided that copies of the representation shall not be</p> | Removal of<br>Directors                        |

read out at the meeting if, on the application either of the Company or of any other person who claims to be aggrieved, the Tribunal is satisfied that the rights conferred by this clause are being abused to secure needless publicity for defamatory matter.

e) A vacancy created by the removal of a Director under this Article may, if he had been appointed by the Company in General Meeting or by the Board, be filled by the appointment of another Director in his place by the meeting at which he is removed provided Special Notice of the intended appointment has been given under clause (b) hereof. A Director so appointed shall hold office until the date upto which his predecessor would have held office if he had not been removed as aforesaid.

f) If the vacancy is not filled under clause (e) it may be filled as Casual Vacancy in accordance with the provisions (in so far they are applicable) of the Act.

g) A Director who was removed from office under this Article shall not be re-appointed as Director by the Board of Directors.

h) Nothing contained in this Article shall be taken:

(i) as depriving a person removed thereunder of any compensation or damages payable to him in respect of the termination of his appointment as Director or of any other appointment terminating with that as Director, or

(ii) As derogating from any power to remove a Director which may exist apart from this Article.

## MEETING OF DIRECTORS

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| 174. The Directors may meet together as a Board from time to time and at least four Board meetings shall be held in every year, and they may adjourn and otherwise regulate their meetings as they deem fit. Provided that not more than 120 days shall intervene between two consecutive Board meetings. The provisions of this Article shall not be deemed to be contravened merely by reason of the fact that a meeting of the Board which had been called in compliance with the terms herein mentioned could not be held for want of quorum. | Meeting of Directors                            |
| 175. A Director or the Managing Director may at any time and the Secretary upon the request of a Director shall convene a meeting of the Directors. Not less than 7 days' notice along with agenda of every Board Meeting shall be given to all the Directors and their Alternate at their address registered with the Company in accordance with Section 173 of the Act.   | When meetings to be convened and notice thereof |
| 176. Provided that a meeting of the Board may be called at shorter notice to transact urgent business subject to the condition that at least  |   |

one Independent Director, shall be present at the meeting.

Provided further that in case of absence of Independent Directors from such a meeting of the Board, decisions taken at such a meeting shall be circulated to all the Directors and shall be final only on ratification thereof by at least one Independent Director, if any.

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| 177. Subject to the provisions of Section 174 and other applicable provisions (if any) of the Act, the quorum for a meeting of the Board of Directors shall be one-third of the total strength of the Board of Directors (excluding Directors, if any, whose places may be vacant at the time, and any fraction contained in that one-third being rounded off as one) or two Directors, whichever is higher, and the participation of the Directors by video conferencing or by other audio visual means shall also be counted for the purposes of quorum, provided that where at any time, the number of interested Directors exceeds or is equal to two-thirds of the total strength, the number of remaining Directors that is to say the number of Directors who are not interested and are present at the meeting, not being less than two shall be the quorum during such meeting. | Quorum                                    |
| 178. If a meeting of the Board of Directors cannot be held for want of quorum, then the meeting shall stand adjourned by three (3) days and at such time and place as the Chairman may decide. If that day is a national holiday, till the next succeeding day, which is not a national holiday, at the same time and place or to such day, time and place as the Directors present may determine.   | Adjournment of meeting for want of quorum |
| 179. The Directors may from time to time elect one of them to be Chairman of the Board of Directors and one of them to be Vice- Chairman, and determine the period for which they are to hold their respective offices. The Chairman or in his absence the Vice- Chairman shall preside at meetings of the Board and shall exercise all powers of the Chairman of the Board of Directors. If at any meeting of the Board neither the Chairman nor the Vice- Chairman is present at the time appointed for holding the meeting, the Directors present shall choose one of them to be the Chairman of such meeting.  | Appointment of Chairman                   |
| 180. In case of an equality of votes, the Chairman shall have a second or casting vote.  | Chairman shall have casting vote          |
| 181. a) Subject to the provisions of Section 179 of the Act and Article, the Directors may delegate any of their powers to committee consisting of such member or members of their body, as they think fit and they may from time to time revoke and discharge any such committee either wholly or in part and either as to person or purposes, but every committee so formed shall, in the exercise of the powers so delegated to it conform to any regulations that may from time to time be imposed on it by the Directors. All acts done by any such committee in conformity with such regulations and in fulfillment of the purpose   | Directors may appoint committees          |



of their appointment but not otherwise, shall have the like force and effect as if done by the Board. Subject to the provisions of the Act the Board may from time to time fix the remuneration to be paid to any member or members of their body constituting a committee appointed by the Board in terms of these Articles and may pay the same.

b) The Board of Directors shall, if applicable, constitute an Audit Committee as per Section 177 of the Act and a Nomination and Remuneration Committee of the Board as per Section 178 of the Act.

182. a) The meetings and proceedings of any such committee consisting of two or more Directors shall be governed by the provisions herein contained in respect of the meeting and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.

Meetings of committees how to be convened

b) The participation of Directors in a meeting of the Board may be either in person or through video conferencing or other audio visual means, which are capable of recording and recognizing the participation of the Directors and of recording and storing the proceedings of such meetings along with date and time. Where a Board meeting is to be conducted through video or audio/video mode, the same shall be conducted in accordance with the Act.

183. a) A resolution passed by circulation without a meeting of the Board or a committee of the Board appointed under these Articles, shall subject to the provisions of clause (b) hereof and the Act be as valid and effectual as resolution duly passed at a meeting of the Board or of a committee duly called and held.

Resolution by Circulation

b) A resolution shall be deemed to have been duly passed by the Board or by a committee thereof by circulation, if the resolution has been circulated in draft together with the necessary papers, if any, to all the Directors or to all the members of the committee at their address registered with the Company in India by hand delivery or by post or by courier or through electronic means as per the Act and has been approved by a majority of the Directors or members, who are entitled to vote on the Resolution.

c) Provided that where not less than one-third of the total number of Directors of the Company for the time being require that any resolution under circulation must be decided at a meeting, the Chairman shall put the resolution to be decided at a meeting of the Board.

d) Subject to the provisions of the Act, a statement signed by the Managing Director or other person authorized in that behalf by the Directors certifying the absence from India or any Directors shall for the purposes of this Article be conclusive.

e) A resolution under clause (a) shall be noted at a subsequent meeting of the Board or the committee thereof, as the case may be, and made

part of the minutes of such meeting.

184. Subject to the provisions of the Act and these Articles, all acts done by any meeting of the Directors or by a committee of Directors or by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or person acting as aforesaid or that they or any of them were or was disqualified, or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, may be as valid as if every such person had been duly appointed and was qualified to be a Director. Provided that nothing in this Article shall be deemed to give validity to acts done by the Directors after their appointment had been shown to the Company to be invalid or to have terminated.
- Act of Board or committee valid notwithstanding defect in appointment
185. The Company shall cause minutes of the meeting of the Board of Directors and of committees of the Board to be duly entered in a book or books provided for the purpose in accordance with the relevant provisions of Section 118 of the Act. The minutes shall contain a fair and correct summary of the proceedings of the meeting including the following:
- Minutes of proceedings of Board of Directors and Committees to be kept
- a) The names of the Directors present at the meeting of the Board of Directors or any committee thereof;
  - b) All orders made by the Board of Directors;
  - c) All resolutions and proceedings of meetings of the Board of Directors and committees thereof;
  - d) In the case of each resolution passed at a meeting of the Board of Directors or committee thereof the name of Directors if any, dissenting from or not concurring in the resolution;
  - e) All appointments made at the meeting of the Board of Directors.
186. All such minutes shall be signed by the Chairman of the concerned meeting or by the person who shall preside as Chairman at the next succeeding meeting and all the minutes purported to be so signed shall for all actual purposes whatsoever be prima facie evidence of the actual passing of the resolution recorded, and the actual and regular transaction or occurrence of the proceedings so recorded and of the regularity of the meetings at which the same shall appear to have taken place.
- By whom the minutes to be signed and the effect of minutes recorded
187. a) Subject to the provisions of Sections 179, 180 and 182 and all other applicable provisions of the Act and these Articles the Board of Directors of the Company shall be entitled to exercise all such powers and to do all such acts and things as the Company is authorized to exercise, and do. Provided that the Board shall not exercise any power or do any act or thing which is directed or required or otherwise to be
- General Powers of Directors

exercised or done by the Company in General Meeting. Provided further that in exercising any such act or thing the Board shall be subject to the provisions contained in that behalf in the Act or in the Memorandum or in these Articles or in any regulations not inconsistent therewith duly made thereunder including regulations made by the Company in General Meeting.

b) No regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

188. Subject to the provisions of Sections 180 and 181 of the Act, the Board of Directors shall not, except with the consent of the Company by a Special Resolution:

Consent of Company necessary for the exercise of certain powers

a) Sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any such undertaking;

b) Remit or give time for the repayment of any debt due by a Director;

c) Invest otherwise than in trust securities, the amount of compensation received by the Company as a result of any merger or amalgamation;

d) Borrow money where the money to be borrowed, together with the money already borrowed by the Company will exceed aggregate of its paid-up share capital and free reserves, apart from temporary loans obtained from the Company's bankers in the ordinary course of business.

189. The Board of Directors with the prior permission of the Company in General Meeting may contribute to bona fide charitable and other funds, any amounts the aggregate of which will in any financial year, exceed five percent of its average net profits during the three financial years immediately preceding.

Bona fide contribution to charitable funds, etc.

190. (1) Without derogating from the powers vested in the Board of Directors under these Articles, the Board shall exercise the following powers on behalf of the Company and it shall do so by means of resolutions passed at meetings of the Board or by means of resolution by circulation wherever permitted by the Act:

Powers to be exercised by the Board on behalf of the Company

(i) To make calls on shareholders in respect of moneys unpaid on their shares;

(ii) To authorize buy-back of securities under Section 68 of the Act;

(iii) To issue securities including debentures, whether in or outside India;

- (iv) To borrow money;
- (v) To invest the funds of the Company;
- (vi) To make loans or give guarantee or provide Security in respect of loans;
- (vii) To approve Financial Statement and the Board's report;
- (viii) To diversify the business of the Company;
- (ix) To approve amalgamation, merger or reconstruction;
- (x) To take over a company or acquire a controlling or substantial stake in another company;
- (xi) To make political contributions subject to Section 182 of the Act;
- (xii) To appoint or remove Key Managerial Personnel;
- (xiii) To take note of appointment(s) or removal (s) of one level below the Key Managerial Personnel;
- (xiv) To appoint internal auditors and secretarial auditor;
- (xv) To take note of the disclosure of Director's interest and shareholding;
- (xvi) To buy, sell investments held by the Company (other than trade investments), constituting five percent or more of the paid up share capital and free reserves of the investee company;
- (xvii) To invite or accept or renew public deposits and related matters;
- (xviii) To review or change the terms and conditions of public deposit;
- (xix) To approve quarterly, half yearly and annual Financial Statements or financial results as the case may be.

Provided that the Board may, by a resolution at a meeting delegate to any committee of Directors or the Managing Director or any other principal officer of the Company or to a principal officer of any of its branch offices, the powers specified under clause iv, v & vi of the above Article on such conditions as the Board may prescribe.

(2) (i) Where the Company has an arrangement with its bankers for the borrowing of moneys by way of overdraft, cash credit, or other accounts, the day to day operation on overdraft, cash credit or other account, by means of which the arrangement as made is actually availed of shall not require the sanction of the Board.

(ii) Nothing contained in this Article shall be deemed to affect the right of the Company in General Meeting to impose restrictions and conditions on the exercise by the Board of any of the powers referred to in clause (a) above.

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| <p>191. The Company shall be concerned with the improving quality of life of people by fostering rural development by promoting health and hygiene, education, skills development, livelihoods and environment protection, fostering education with a focus on urban and semi-urban locations in and around the area of operations of the Company, and shall pay attention to company's social responsibilities by engaging itself in undertaking permissible CSR activities in accordance with the Act and Rules made thereunder and through effective CSR policy adopted by the Company.</p> | <p>Corporate Social Responsibility</p> |
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### **MANAGING DIRECTOR OR MANAGING DIRECTORS OR WHOLE TIME DIRECTOR OR WHOLE TIME DIRECTORS**

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| <p>192. (a) Subject to the provisions of the Act, the Directors may from time to time appoint one or more of their body to be the Managing Director or Directors or Whole Time Directors or Directors of the Company and the remuneration payable to such Managing Director or Directors or Whole Time Director or Directors shall be determined by the Board of Directors, in accordance with and subject to the provisions of Sections 196 and 197 of the Act.</p> <p>(b) A Managing Director or Whole time Director so appointed shall exercise the powers and authorities conferred upon him by an agreement entered into between him and the Company and/or by a resolution of the Board and be subject to the obligations and restrictions imposed upon him thereby or by the Act.</p> | <p>Appointment of Managing Director</p>            |
| <p>193. The Managing Director or Managing Directors shall not exercise the powers to:-</p> <ol style="list-style-type: none"> <li>(1) Make calls on shareholders in respect of money unpaid on the shares in the Company;</li> <li>(2) Issue debentures; and except to the extent mentioned in the resolution passed at the Board Meeting under Section 179 of the Act,</li> <li>(3) borrow moneys</li> <li>(4) invest the funds of the Company; and make loans.</li> </ol> <p>unless such powers or any of them have been specifically delegated to the Managing Director or Managing Directors pursuant to Article 192 or any provision of the Act.</p>  | <p>Restriction on Powers of Managing Directors</p> |
| <p>194. The Company shall not appoint or employ, or continue the appointment or employment of, a person as its Managing or whole-time Director who –</p>   |  |

is an undischarged insolvent, or has at any time been adjudged an insolvent;

suspends, or has at any time suspended, payment to his creditors, or makes, or has at any time made, a composition with them; or

is, or has at any time been, convicted by a court of an offence under any of the enactments mentioned in Part I of Schedule V of the Act, or any offence involving moral turpitude.

195. A Managing Director shall ipso facto and immediately cease to be a Managing Director if he ceases to hold the Office of a Director.

196. Subject to the provisions of the Act, the Managing Director or Managing Directors, Whole time Director or Whole Time Directors shall not, while he or they continue to hold that office, be subject to retirement by rotation save and except otherwise decided pursuant to Article 161. If he ceases to hold the office of Director, he shall ipso facto and immediately cease to be the Managing Director.

Managing Director /Whole time Director not liable to retire by rotation

197. a) Subject to the applicable provisions of the Act, the Directors may in the alternative, from time to time, after obtaining such sanction and approvals as may be necessary, appoint any individual or individuals as Manager or Managers for the Company and fix the terms of his remuneration subject to the provisions of the Act

Appointment of Manager

b) A Manager so appointed shall exercise the powers and authorities conferred upon him by an Agreement entered into between him and the Company and/or by a resolution of the Board or General Meeting and shall be subject to the obligations and restriction imposed in that behalf by the Act.

198. The remuneration of the Managing Director or Managing Directors or Whole-time Director or Whole-time Directors (subject to provisions of Section 197 and other applicable provisions of the Act and of these Articles and of any contract between him or them and the Company) shall be in accordance with the terms of his or their contract with the Company.

Remuneration of Managing Director and Whole time Director

199. Subject to the provisions of the Act and of the terms of any Resolution of the Company in General Meeting or of any Resolution of the Board and to the term of any contract with him or them, the Managing Director or Managing Directors shall have substantial powers of management subject to the superintendence, control and direction of the Board of Directors.

Powers and Duties of Managing Director

### KEY MANAGERIAL PERSONNEL

200. Subject to Section 203 of the Act and any other applicable provisions of the Act, the Company shall appoint by means of resolution of the Board, the following Key Managerial Personnel:

Key Managerial Personnel

a) Managing Director, or Chief Executive Officer or Manager and in their absence; a Whole-time Director;

b) Company Secretary; and

c) Chief Financial Officer.

The Company may appoint the same person as the Chairperson, as well as the Managing Director or Chief Executive Officer.

201. Every whole-time Key Managerial Personnel of a company shall be appointed by means of a resolution of the Board containing the terms and conditions of the appointment including the remuneration.

202. A whole-time Key Managerial Personnel shall not hold office in more than one company except in its subsidiary company at the same time.

Provided that nothing contained in this Article shall disentitle a Key Managerial Personnel from being a Director of any company with the permission of the Board.

Provided also that the Company may appoint or employ a person as its Managing Director, if he is the Managing Director or Manager of one, and of not more than one, other company and such appointment or employment is made or approved by a resolution passed at a meeting of the Board with the consent of all the Directors present at the meeting and of which meeting, and of the resolution to be moved thereat, specific notice has been given to all the Directors then in India.

203. If the office of any whole-time Key Managerial Personnel is vacated, the resulting vacancy shall be filled-up by the Board at a meeting of the Board within a period of six months from the date of such vacancy.

## **SECRETARY**

204. The Directors shall appoint a whole-time Secretary of the Company possessing the prescribed qualification for such term, at such remuneration and upon such conditions as they may think fit and any Secretary so appointed may be removed by them. The main functions of the Secretary shall be the responsibility for maintaining Registers required to be kept under the Act and these Articles; for making the necessary returns to the Registrar of Companies under the Act and these Articles and for getting the necessary documents registered with the Registrar and for carrying out all other administrative and ministerial acts, duties and functions which a Secretary of a Company is normally supposed to carry out, such as giving the necessary notices to the members, preparing the agenda of meetings, issuing notices to Directors, preparing minutes of meetings of members and of Directors and of any committees of Directors and maintaining minute books and

Appointment,  
Functions, and  
Duties of Secretary

other statutory documents, and he shall carry out and discharge such other functions and duties as the Directors or the Managing Directors may from time to time require him to do.

### ***Functions of Company Secretary***

The Functions of the Company Secretary shall include-

- a) to report to the Board about compliance with the provisions of the Act, the rules made thereunder and other laws applicable to the Company.
- b) to ensure that the Company complies with the applicable secretarial standards.
- c) to discharge such other duties as may be prescribed.

### ***Duties of the Company Secretary***

The Company Secretary shall also discharge the following duties, namely:

- (1) to provide to the Directors of the Company, collectively and individually, such guidance as they may require, with regard to their duties, responsibilities and powers;
- (2) to facilitate the convening of meetings and attend Board, committee and general meetings and maintain the minutes of these meetings;
- (3) to obtain approvals from the Board, the Company in general meeting, Government and such other authorities as required under the provisions of the Act;
- (4) to represent before various regulators, and other authorities under the Act in connection with discharge of various duties under the Act;
- (5) to assist the Board in the conduct of the affairs of the Company;
- (6) to assist and advise the Board in ensuring good corporate governance and in complying with the corporate governance requirements and best practices;
- (7) ensuring conformity with the regulatory provisions applicable to the Company in letter and spirit;
- (8) co-ordination with and reporting to the SEBI, recognised stock exchange and depositories with respect to compliance with rules, regulations and other directives of these authorities in manner as specified from time to time;
- (9) ensuring that the correct procedures have been followed that would



result in the correctness, authenticity and comprehensiveness of the information, statements and reports filed by the listed entity under Listing Regulations;

(10) monitoring email address of grievance redressal division as designated by the Company for the purpose of registering complaints by investors;

(11) to discharge such other duties as have been specified under the Act or rules and other applicable laws; and

(12) such other duties as may be assigned by the Board from time to time.

### **REGISTERS, BOOKS AND DOCUMENTS**

205. (a) Company shall maintain all Registers, Books and Documents as required by the Act or these Articles including the following; namely:

Registers, Books  
and Documents

- (i) Register of Mortgages, Debentures and charges according to Section 85 of the Act;
- (ii) Copies of instruments creating any charge requiring registration according to Section 85 of the Act;
- (iii) Register of Members according to Section 88 of the Act;
- (iv) Register of debenture holders according to Section 88 of the Act;
- (v) Register of other Security holders according to Section 88 of the Act;
- (vi) Copies of Annual Returns prepared under Section 92 of the Act;
- (vii) Books of Account in accordance with the provisions of Section 128 of the Act;
- (viii) Register of Directors and Key Managerial Personnel and their shareholding according to Section 170 of the Act;
- (ix) Register of investments not held in the Company's name according to Section 187 of the Act;
- (x) Register of Contracts, Companies and Firms in which Directors are interested according to Section 189 of the Act;
- (xi) Register of Renewed and Duplicate Certificates according to Rule 6 of the Companies (Share Capital and Debenture) Rules, 1960)
- (xii) Any other register as may be prescribed from time to time under any law for the time being in force

(b) The said registers, books and documents shall be maintained in conformity with the applicable provisions of the Act and these presents and shall be kept open for inspection for such persons as may be entitled thereto respectively, under the Act and these presents on such days and during such business hours as may in that behalf be determined in accordance with the provisions of the Act and these Articles and extracts therefrom shall be supplied to those persons entitled thereto in accordance with the provisions of the Act

and these Articles.

(c) The Company may keep a Foreign Register of Members, Debenture holders, other Security holders or beneficial owners residing outside India in accordance with Section 88(4) of the Act.

#### **THE SEAL**

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| 206. The Directors shall provide a Seal for the purpose of the Company, and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof, and the Directors shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by or under the authority of the Director or a committee of Directors previously given, and in the presence of two Directors or one Director and the Secretary, who shall sign every instrument to which the seal is so affixed in their presence. | Seal of the Company |
| 207. The Directors and the Company shall also be at liberty to use an official seal in any territory, district or place outside India.  | Seal Abroad         |

#### **DIVIDENDS**

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| 208. The profits of the Company, subject to the provisions of these Articles, shall be divisible among the members in proportion to the amount of capital paid upon the shares held by them respectively.<br><br>Provided always that any capital paid up or credited as paid up on a share during the period in respect of which a dividend is declared shall, unless the terms of issue otherwise provide, only entitle the holder of such shares to an apportioned amount of such dividend proportionate to the capital from time to time paid up during such period on such share. | Division of Profits   |
| 209. Where capital is paid up in advance of calls upon the footing that the same shall carry interest, such capital shall not whilst carrying interest confer a right to dividend or to participate in profits.  | Capital paid up in advance at interest not to earn dividend |
| 210. The Company may pay dividends in proportion to the amount paid up or credited as paid up on each share, where a larger amount is paid up or credited as paid up on some shares than on others.  | Dividends in proportion to amount paid up                   |
| 211. The Company in any general meeting may, subject to the provisions of Section 123 of the Act, declare a dividend to be paid to the members according to their respective rights and interests in the profits and subject to the provisions of the Act, may fix the time for payment. When dividend has been so declared, subject to the provisions of Section 127 of the Act, either the dividend shall be paid or the warrant in respect thereof shall be posted within 30 days of the date of declaration to the shareholders entitled to the payment of the same.               | The Company in General Meeting may declare a dividend       |

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| <p>212. No larger dividend shall be declared than is recommended by the Directors but the Company in General Meeting may declare a smaller dividend. No dividend shall be payable except out of the profits of the year or any other undistributed profits of the Company, or otherwise than in accordance with the provisions of the Act and no dividend shall carry interest as against the Company. The declaration of the Directors as to the amount of the net profits of the Company shall be conclusive.</p>   | <p>Powers of General Meeting to limit dividend</p>   |
| <p>213. Subject to the provisions of the Act, the Directors may from time to time, pay to the members such interim dividends as in their judgement the position of the Company justifies.</p>   | <p>Interim Dividend</p>  |
| <p>214. Wherein an instrument of transfer of shares of the Company has been delivered to the Company for the registration and the transfer of such shares has not been registered by the Company, it shall comply with the provisions of Section 126 of the Act in respect of the dividend, right, shares and bonus shares in relation to such shares.</p>  | <p>Right to dividend, etc. pending registration of transfer</p>  |
| <p>215. Subject to the provisions of the Act no member shall be entitled to receive payment of any interest or dividend in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares or otherwise howsoever either alone or jointly with any other person or persons, and the Directors may deduct from the interest or dividend payable to any member all sums of money so due from him to the Company.</p>  | <p>No member to receive dividend whilst indebted to the Company and Company's right of reimbursement thereof</p> |
| <p>216. A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the Transfer.</p>   | <p>Right to dividend pending registration of transfer</p>  |
| <p>217. No unclaimed or unpaid dividend shall be forfeited by the Board and unless otherwise directed any dividend may be paid by cheque or warrant sent through post or in any electronic mode to the registered address of the Member or person entitled or in case of joint holders to the first named in the Register of Members in respect of the joint holding. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any cheque or warrant lost in transmission or for any dividend lost to the member or other person entitled thereto by the forged endorsement of any cheque or warrant or the fraudulent or improper recovery thereof by any other means.</p> |  |
| <p>218. The Company shall duly comply with the provisions of the Act in respect of a dividend declared by it but which has not been paid or claimed within thirty days from the date of declaration to any shareholder entitled to the payment of dividend. And no unpaid dividend shall bear interest as against the Company.</p>  |  |
| <p>219. Any general meeting declaring a dividend may on the recommendation of the Directors make a call on the members for such amount as the meeting fixes, but so that the call to each member shall not exceed</p>   | <p>Dividend and Call together</p>  |

the dividend payable to him and so that the call be made payable at the same time as the dividend and the dividend may, if so warranted between the Company and members, be set off against the call.

## **RESERVES AND CAPITALISATION**

220. The Board may, before recommending any dividend in any financial year set aside out of the profits of the Company for that financial year such sums as it thinks proper 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. Reserves
221. (a) The shareholders of the Company may resolve that any amounts standing to the credit of the Share Premium Account, the Capital Redemption Reserve Account, or any moneys, investments or other assets forming part of the undivided profits (including profits or surplus monies arising from the realization and where permitted by the law, from the appreciation in value of any General Reserve, or any Reserve Fund or any other Fund of the Company or in the hands of the Company and available for dividend) be capitalized. Capitalization
- (i) By the issue and distribution as fully paid up shares or debentures of the Company; or
- (ii) By crediting shares of the Company which may have been issued to and are not fully paid up with the whole or any part of the remaining unpaid thereon.

Provided that any amount standing to the credit of the Share Premium Account or the Capital Redemption Reserve Account shall be applied only in crediting the payment of capital on shares of the Company to be issued to members (as herein provided) as fully paid bonus shares, subject to the provisions of the Act and rules made thereunder.

(b) Such issue and distribution under clause (a) (i) above and such payment to credit of unpaid share capital under clause (a) (ii) above shall be made to, among and in favour of the members of any class of them or any of them entitled thereto in accordance with their respective rights and interest and in proportion to the amount of capital paid up on the shares held by them respectively in respect of which such distribution under clause (a) (i) or payment under clause (a) (ii) above shall be made on the footing that such members become entitled thereto as capital.

(c) The Directors shall give effect to any such resolution and apply such portion of the profits General Reserve or Reserve Fund or any other fund or Account as aforesaid as may be required for the purpose

of making payment in full for the shares of the Company so distributed under clause (a) (ii) above or (as the case may be) or purpose of paying in whole or in part, the amount remaining unpaid on the shares which may have been issued and are not fully paid up under sub-clause (a) (ii) above.

Provided that no such distribution or payment shall be made unless recommended by the Directors and if so recommended such distribution and payment shall be accepted by such members as aforesaid in full satisfaction of their interest in the said capitalized sum.

(d) For the purpose of giving effect to any such resolution the Directors may settle any difficulty which may arise in regard to the Distribution or payment as aforesaid as they think expedient and in particular they may issue fractional certificates and may fix the value for the distribution of any specific assets and may determine that cash payments be made to any members on the footing of the value so fixed and may vest any such cash or shares in trustees upon such trusts for the persons entitled thereto as may seem expedient to the Directors and generally may make such arrangements for the acceptance allotment and sale of such shares and fractional certificates or otherwise as they may think fit.

(e) Subject to the provisions of the Act and these Articles, in cases where some of the shares of the Company are fully paid and others are partly paid only, such capitalisation may be effected by the distribution of further shares in respect of the fully paid shares, and by crediting the partly paid shares with the whole or part of the unpaid liability thereon but so that as between the holders of the fully paid shares, and the partly paid shares, the sum so applied on the payment of such further shares and in the extinguishment or diminution of the liability on the partly paid shares shall be so applied pro-rata in proportion to the amount then already paid or credited as paid on the existing fully paid shares respectively.

(f) When deemed requisite, a proper contract shall be filed in accordance with the Act and the Board may appoint any person to sign such contract on behalf of the members entitled as aforesaid and such appointment shall be effective.

## **ACCOUNTS**

222. a) As required by Section 128 of the Act, the Company shall keep at its Registered Office proper Books of Accounts and other relevant books and papers and Financial Statements for every financial year.

Provided that all or any of the books of account aforesaid may be kept at such other place in India as the Board of Directors may decide and when the Board of Directors so decides the Company shall, within seven days of the decision, file with the Registrar a notice in writing

giving the full address of that other place.

Provided further that the Company may keep such books of account or other relevant papers in electronic mode in accordance with the Act.

(b) If the Company shall have a branch office, whether in or outside India, proper books of account relating to the transactions effected at the office shall be kept at that office, and proper summarized returns, made periodically shall be sent by the branch office of the Company to its Registered Office or other place as referred hereinabove.

(c) All the aforesaid books shall give a true and fair view of the state of affairs of the Company or its branch office, if any, and explain its transactions effected both at the registered office and its branches and such books shall be kept on accrual basis and according to the double entry system of accounting.

(d) The Books of Account and other books and papers shall be open to inspection at the Registered Office of the Company or at such other place in India by any Director during business hours and in case of financial information, if any, maintained outside India, copies of such financial information shall be maintained and produced for inspection by any Director as per the Act. Provided that inspection in respect of any subsidiary of the Company shall be done only by the person authorized in this behalf by a resolution of the Board.

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| 223. The Books of Account of the Company relating to a period of not less than eight (8) financial years immediately preceding the current financial year together with the vouchers relevant to any entry in such Books of Account shall be preserved in good order.  | Books of Account to be preserved                           |
| 224. The Directors shall from time to time determine whether and what extent and what time and places and under what conditions and regulations the accounts and books of the Company or any of them shall be open to the inspection of the members not being Directors and no member (not being Director) shall have any right of inspection any account or books or documents of the Company except as conferred by law or authorized by the Directors or by the Company in General Meeting. | Inspection by members of accounts and books of the Company |
| 225. At every Annual General Meeting, the Board shall lay before the Company a Balance Sheet and Profit and Loss Account made up in accordance with the provisions of Section 129 of the Act and such Balance Sheet and Profit and Loss Account shall comply with the requirements of Section 129, 134, 137 and Schedule III and any other relevant provisions of the Act so far as they are applicable to the Company.  | Accounts to be furnished at General Meetings               |
| 226. There shall be attached to every Financial Statement laid before the Company a Report by the Board of Directors complying with the provisions of Section 134 of the Act.  | Directors' Report  |

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| 227. The Company shall comply with the requirements of Section 136 of the Act. | Rights of members to copies of Audited Financial Statements |
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### ANNUAL RETURNS

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| 228. The Company shall make and file the requisite Annual Returns in accordance with the provisions of Sections 92 and 93 of the Act.   | Annual Returns                                      |
| 229. Once at least in every year the Books of Account of the Company shall be examined by one or more auditors in accordance with the relevant provisions contained in that behalf in the Act.  | Accounts to be Audited                              |
| 230. Save and except as provided in Section 130 and 131 of the Act, every Account when audited and approved by shareholders in a general meeting shall be conclusive, except as to errors detected within three (3) months.             | Accounts when audited and approved to be conclusive |
| 231. The appointment, qualifications, removal, powers, rights, duties and remuneration of the Auditors shall be regulated by and in accordance with Section 139 to 146 (both inclusive) and any other applicable provisions of the Act. | Appointment, powers, etc. of Auditors               |

### DOCUMENTS AND SERVICE OF DOCUMENTS

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| <p>232. a) A document (which expression for this purpose shall be deemed to include and shall include any summons, notice requisition, order, declaration, form, and register maintained on paper or in electronic form) may be served or sent by the Company on or to any member either personally or sending it by post or speed post or registered post or courier service to him at his registered address or by electronic mode or (if he has no registered address in India) at the address, if any supplied by him to the Company.</p> <p>b) Where a document is sent by Post:</p> <p style="padding-left: 40px;">(i) service thereof shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice, provided that a member may request the Company in advance that documents should be sent to him in a particular mode for which he shall pay such fees as may be determined by the Company in its Annual General Meeting; and</p> <p style="padding-left: 40px;">(ii) such service shall be deemed to have been effected;</p> <p style="padding-left: 40px;">a) in the case of a notice of meeting, at the expiration of forty eight hours after the letter containing the notice is posted; and</p> | Manner of Service |
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- b) in any other case, at the time at which the letter would be delivered in the ordinary course of post.
233. If a member has no registered address in India and has not supplied to the Company an address within India for the giving of notice to him, a document advertised in a newspaper circulating in the neighbourhood of the Registered Office of the Company shall be deemed to be duly served on him on the day on which the advertisement appears. Service on member having no registered address
234. A document may be served by the Company on the person entitled to a share in consequence of the death or insolvency of a Member sending it through post in a prepaid letter addressed to them by name or by the title of representative of the deceased or Assignee of the insolvent or by any like description at the address (if any) in India supplied for the purpose by the persons claiming to be so entitled or (until such as address has been so supplied) by serving the document in any manner in which the same might have been served if the death or insolvency has not occurred. Service on person acquiring shares on death or insolvency of member
235. Subject to the provisions of the Act and these Articles, notice of General Meeting shall be given: Persons entitled to notice of General Meetings
- (a) to members of the Company, legal representative of any deceased member or the assignee of an insolvent member;
- (b) to the Auditor or Auditors of the Company; and
- (c) every Director of the Company.
236. Every person who by operation of law, transfer, or other means whatsoever, shall become entitled to any share shall be bound by every document in respect of such shares which previous to his name and address being entered on the Register, has been served on or sent to the person from whom he derives his title to such share. Members bound by document given to previous holders
237. Any document or notice to be given by the Company shall be signed by the Managing Director or Secretary or by such Director or Officer as the Directors may appoint and such signature may be written or printed or lithographed or may be in electronic form. Notice by Company and Signature thereto
238. All documents or notices to be given and on the part of the members to the Company shall be sent by post or speed post or courier service or by registered post to the Registered Office of the Company or by electronic mode. Service of notices by members

#### **AUTHENTICATION OF DOCUMENTS**

239. Save as otherwise expressly provided in the Act or these Articles, a document or proceeding requiring authentication by the Company or contracts made by or on behalf of the Company may be signed by any Authentication of document and proceedings



Key Managerial Personnel or an Officer of the Company duly authorized by the Board in this behalf.

### **WINDING UP**

240. Subject to the provisions of the Act and Insolvency and Bankruptcy Code, 2016, if the Company shall be wound up, and the assets available for distribution among the members as such shall be insufficient to repay the whole of the paid up Capital, such assets shall be distributed so that as nearly, as may be, the losses shall be borne by the members in proportion to the capital paid up or which ought to have been paid up, at the commencement of the winding up on the shares held by them respectively. And if in a winding up the 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 among the members in proportion to the capital paid up at the commencement of the winding 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 rights of the holders of shares issued upon special terms and conditions.
- Distribution of Assets
241. a) Subject to the provisions of the Act and the Insolvency and Bankruptcy Code, 2016, if the Company shall be wound up, whether voluntarily or otherwise, the liquidators may, with the sanction of Special Resolution but subject to the rights attached to any preference share capital, divide amongst the contributories, in specie or kind, any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributors or any of them, as the liquidators, with the like sanction shall think fit.
- Distribution of assets in specie or kind
- b) If thought expedient any such division may, be otherwise than in accordance with the legal rights of the contributories (except where unalterably fixed by the Memorandum of Association) and in particular any class may be given preferential or special rights or may be excluded altogether or in part in case any such division shall be determined, any contributory who would be prejudiced thereby shall have right to dissent and ancillary rights as if such determination were a Special Resolution passed pursuant to the provisions of the Act.
- c) In case any shares to be divided as aforesaid involve a liability to calls or otherwise any person entitled under such division to any of the said shares may within ten days after the passing of the Special Resolution, by notice in writing, intimate to the Liquidator to sell his proportion and pay him the net proceeds and the liquidator shall, if practicable, act accordingly.

## SECRECY CLAUSE

242. (a) Every Director, manager, auditor, trustee, member of a committee, officer, servant, agent, accountant or other person employed in the business of the Company, shall if so required by the Directors, before entering upon his duties, sign a declaration pledging himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the account with individuals and in relation 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 Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained.

Secrecy Clause

(b) No member shall be entitled to visit or inspect the Company's works without the permission of the Directors or the Managing Director or to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature, of a trade secret, mystery of trade, or secret process, which may relate to the conduct of the business of the Company and which in the opinion of the Director or the Managing Director it will be inexpedient in the interest of the members of the Company to communicate to the public.

## INDEMNITY AND RESPONSIBILITY

243. a) Subject to the provisions of the Act every Director of the Company or the Managing Director, Manager, Secretary and other officer or employee of the Company and the Trustees (if any) for the time being acting in relation to any of the affairs of the Company and every one of them shall be indemnified by the Company against, and it shall be the duty of the Directors out of funds of the Company to pay all costs, losses and expenses (including traveling expenses) which any such Director, Managing Director, Manager, Secretary or other officer or employee and the trustees (if any) for the time being acting in relation to any of the affairs of the Company may incur or become liable to by reason of any contract entered into or any act, deed or thing done by him as such Director, Officer, employee or trustees or in any way in the discharge of his duties.

Directors and others  
right to indemnity

b) Provided that every Director, Managing Director, Manager, Secretary or other Officer or employee of the Company or the Trustees (if any) for the time being acting in relation to any of the affairs of the Company and every one of them shall be indemnified against any liability incurred by him in defending any proceedings whether civil or criminal in which judgment is given in his favour or in which he is acquitted or in which relief is given to him by the Court.

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|---|---|
| <p>244. Subject to the provisions of the Act no Director, the Managing Director or other officer of the Company shall be liable for the acts, omissions, neglect or default of any Director or Officer or for jointly in any omission or other act for conformity or for any loss or expenses suffered by the Company through insufficiency or deficiency, of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested or for any loss or damage arising from bankruptcy, insolvency, or tortuous act of any person Company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part or for any other loss or damages or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonestly.</p> | <p>Directors and other not responsible for acts of others</p> |
| <p>245. The Company shall have among its objectives the promotion and growth of the national economy through increased productivity, effective productivity, effective utilization of material and manpower resources and continued application of modern scientific and managerial techniques in keeping with the national aspirations, and the Company shall be mindful of its social and moral responsibilities to the customers, employees, shareholders, society and the local community.</p>  | <p>Special objective</p>                                      |
| <p>246. Whenever in the Act, it has been provided that the Company shall have any right, privileges or authority or that the Company could carry out any transaction only if the Company is authorized by its Articles, then and in that case this regulation hereto authorizes and empowers the Company to have such rights, privilege or authority and to carry out such transactions as have been permitted by the Act, without there being any specific regulation in that behalf herein provided.</p>  | <p>General Power</p>  |

## **SECTION X – OTHER INFORMATION**

### **MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

The copies of the following documents and contracts which have been entered into or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Red Herring Prospectus) which are or may be deemed material will be attached to the copy of the Red Herring Prospectus which will be delivered to the RoC for registration. Copies of the contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. (IST) on all Working Days from the date of this Draft Red Herring Prospectus until the Bid/Issue Closing Date.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable law.

#### **A) Material contracts for the Issue**

1. Issue Agreement dated March 23, 2018 between our Company and the Book Running Lead Manager.
2. Registrar Agreement dated January 5, 2018 between our Company and Link Intime India Private Limited to act as Registrar to the Issue.
3. Underwriting Agreement dated [●] amongst our Company, the Underwriter and the Book Running Lead Manager.
4. Market Making Agreement dated [●] amongst our Company, Prabhudas Lilladher Private Limited and the Book Running Lead Manager.
5. Bankers to the Issue Agreement dated [●] amongst our Company, the Book Running Lead Manager, Banker(s) to the Issue and the Registrar to the Issue.
6. Tripartite agreement dated January 18, 2018 amongst our Company, Central Depository Services (India) Limited and Link Intime India Private Limited.
7. Tripartite agreement dated January 19, 2018 amongst our Company, National Securities Depository Limited and Link Intime India Private Limited.
8. Syndicate Agreement dated [●], 2018 amongst our Company, the Book Running Lead Manager and the Syndicate Members.

#### **B) Material documents for the Issue**

1. Certified true copy of the Memorandum of Association and Articles of Association of our Company, as amended.
2. Certificate of Incorporation dated October 15, 2011 issued by the Registrar of Companies, Mumbai.
3. Fresh Certificate of Incorporation dated August 3, 2017 consequent upon change of name from 'Rajshree Polypack Private Limited to 'Rajshree Polypack Limited'.

4. Resolutions of the Board of Directors dated November 20, 2017 in relation to the Issue and other related matters.
5. Shareholders' resolution dated December 18, 2017 in relation to the Issue and other related matters.
6. Deed of Adherence to Share Subscription and Shareholders Agreement dated October 20, 2014 and Share Subscription and Shareholders Agreement March 12, 2012 entered into between our Company, Wifag Polytype Holding AG, Ramswaroop Radheshyam Thard, Naresh Radheshyam Thard, Sajjan N. Rungta HUF, Anand Sajjankumar Rungta, Radheshyam Jugalkishor Thard, Varsha Naresh Thard and Shashi Ramswaroop Thard (collectively, the "Parties")\*.  
*Parties to the deed of adherence and share subscription and shareholders agreement are in discussions to amend / modify / terminate the said agreements partially or in entirety. Upon amendment / modification / termination of the said agreements, the same shall be updated at the time of filing Red Herring Prospectus.*
7. Consents of our Promoters, Directors, our Company Secretary and Compliance Officer, our Chief Financial Officer, Statutory and Peer Reviewed Auditor, Book Running Lead Manager, Legal Advisor to the Issue, the Registrar to the Issue, Underwriters to the Issue\*, Bankers to our Company, Market Maker\*, Syndicate Members and Banker to the Issue\*, CARE Advisory to include their names in this Draft Red Herring Prospectus and to act in their respective capacities.  
*\*The aforesaid will be appointed prior to filing of the Red Herring Prospectus with ROC and their consents would be obtained please refer section titled "Objects of the Issue" beginning on page 84 of this Draft Red Herring Prospectus.*
8. The report dated February 2, 2018 from the Statutory & Peer Reviewed Auditor of our Company, S G C O & Co. LLP, Chartered Accountants, confirming the Statement of Tax Benefits available to our Company and our shareholders.
9. The report of the Statutory & Peer Reviewed Auditor of our Company, S G C O & Co. LLP, Chartered Accountants, as set out herein dated December 18, 2017 in relation to the restated Financial Statements of our Company for stub period ending September 30, 2017 and financial years ended March 31, 2017, 2016, 2015, 2014 and 2013.
10. Annual Reports of our Company for the financial years ended March 31, 2017, 2016, 2015, 2014 and 2013.
11. Audit Report for the six month ended September 30, 2017.
12. Copy of approval from NSE vide letter dated [●] to use the name of NSE in this offer document for listing of Equity Shares on NSE EMERGE Platform.
13. Due diligence certificate dated March 24, 2018 from PL Capital Markets Private Limited.
14. Lease Deed dated March 23, 2018 between our Company and Gagan Packaging Private Limited.
15. Contract of service dated December 27, 2017, entered into by our Company with Ramswaroop Radheshyam Thard.
16. Contract of service dated December 27, 2017, entered into by our Company with Naresh Radheshyam Thard.

17. Non-compete agreements dated March 16, 2018 between our Company and M/s. Bobson Industries, M/s. Orbit Industries and M/s. S. R. Plastics.

## DECLARATION

We hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations or guidelines issued by the GoI or the regulations, rules or guidelines issued by SEBI, established under Section 3 of SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, SCRR, SEBI Act or rules or regulations made or guidelines issued thereunder, as the case may be. We further certify that all the disclosures made in this Draft Red Herring Prospectus are true and correct.

### SIGNED BY THE DIRECTORS OF OUR COMPANY

<b>Ramswaroop Radheshyam Thard</b> (Chairman & Managing Director)	Sd/-
<b>Naresh Radheshyam Thard</b> (Joint-Managing Director)	Sd/-
<b>Sajjankumar Nanikram Rungta</b> (Non-Executive Director)	Sd/-
<b>Praveen Bhatia</b> (Non-Executive, Nominee Director)	Sd/-
<b>Prabuddha Das Gupta</b> (Independent Director)	Sd/-
<b>Rajesh Satyanarayan Murarka</b> (Independent Director)	Sd/-
<b>Meenakshi Ahuja</b> (Independent Director)	Sd/-
<b>Sunil Sawarmal Sharma</b> (Chief Financial Officer)	Sd/-
<b>Mitali Rajendra Shah</b> (Company Secretary and Compliance Officer)	Sd/-

**Date: March 24, 2018**

**Place: Thane**

## **DECLARATION**

The undersigned Director hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations or guidelines issued by the GoI or the regulations, rules or guidelines issued by SEBI, established under Section 3 of SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, SCRR, SEBI Act or rules or regulations made or guidelines issued thereunder, as the case may be. The undersigned further certifies that all the disclosures made in this Draft Red Herring Prospectus are true and correct.

## **SIGNED BY NOMINEE DIRECTOR OF OUR COMPANY**

Sd/-

**Alain Edmond Berset**

Non-Executive, Nominee Director

**Date: March 24, 2018**

**Place: Farvagny, Switzerland**



## Annexure – A

### PRICE INFORMATION OF PAST ISSUES HANDLED BY THE BRLM

Summary statement of price information of past issues handled by **PL Capital Markets Private Limited**

Sr. No.	Issue Name	Issue Size (₹Cr.)	Issue Price (₹)	Listing Date	Opening price on listing date (₹)	% change in Closing price, (% change in Benchmark index) as on 30th calendar day from listing	% change in Closing price, (% change in Benchmark index) as on 90th calendar day from listing	% change in Closing price, (% change in Benchmark index) as on 180th calendar day from listing
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NIL

Track Record of past issues handled by **PL Capital Markets Private Limited**

Financial Year	Total No. of IPOs	Total Funds Raised (₹Cr.)	Nos. of IPOs trading at discount as on 30th calendar day from listing date			Nos. of IPOs trading at premium as on 30th calendar day from listing date			Nos. of IPOs trading at discount as on 180th calendar day from listing date			Nos. of IPOs trading at premium as on 180th calendar day from listing date		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2015 – 16	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016 – 17	-	-	-	-	-	-	-	-	-	-	-	-	-	-
April 1, 2017 – March 24, 2018	-	-	-	-	-	-	-	-	-	-	-	-	-	-

**Track record of past issues handled by Book Running Lead Manager**

For details regarding the track record of the BRLM to the Issue as specified in Circular reference CIR/MIRSD/1/ 2012 dated January 10, 2012 issued by the SEBI, please refer to the website of the BRLM at [www.plindia.com](http://www.plindia.com).