PROSPECTUS

Dated: June 22, 2016
Please read Section 32 of the Companies Act, 2013
100% Fixed Price Issue

KKV AGRO POWERS LIMITED

(Our Company was incorporated as "Nachas Wind Energy Private Limited" on June 05, 2012 as a private limited company under the Companies Act, 1956, with the Registrar of Companies, Tamil Nadu, Coimbatore. The name of our company was changed to "KKV Agro Powers Private Limited" vide a fresh certificate of incorporation pursuant to change of name dated May 12, 2015 issued by Registrar of Companies, Tamil Nadu, Coimbatore. Subsequently our Company was converted into public limited Company and the name of our company was changed to "KKV Agro Powers Limited", pursuant to fresh certificate of incorporation consequent upon change of name on conversion to public limited company dated May 18, 2015, issued by Registrar of Companies, Tamil Nadu, Coimbatore.)
For further details regarding the changes in registered office, please see the chapter titled "Our History and Corporate Structure" beginning on page 122 of this Prospectus. The Corporate Identification Number of our Company is U40108TZ2012PLC018332.

Registered Office: Vivagaa Building, # 637, Oppanakara Street, Coimbatore, Tamil Nadu, India – 641 001.
Tel. No.: +91 422-2303880 **Fax No.** +91 422 2303881. **E-Mail**: smeipo@kkvagropowers.com; **Website:** www.kkvagropowers.com
Contact Person: Mrs. C.Renuka, CFO & Company Secretary

PROMOTERS OF THE COMPANY : MR. T.K. CHANDIRAN & MRS. C. SELVI

THE ISSUE

PUBLIC ISSUE OF 1,12,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH FULLY PAID UP OF KKV AGRO POWERS LTD ("KKVAPL" OR THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹320/- PER EQUITY SHARE (THE "ISSUE PRICE") (INCLUDING A SHARE PREMIUM OF ₹310/- PER EQUITY SHARE AGGREGATING ₹358.40 LAKHS (THE "ISSUE") BY OUR COMPANY, OF WHICH 5,600 EQUITY SHARES OF ₹10/- FULLY PAID UP EACH WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE ("MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 1,06,400 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH FULLY PAID UP FOR CASH AT A PRICE OF ₹320 PER EQUITY SHARE, AGGREGATING TO ₹340.48 LAKHS (HEREINAFTER REFERRED TO AS THE "NET ISSUE"). THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 30.87% AND 29.33% RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. FOR FURTHER DETAILS, PLEASE REFER TO SECTION TITLED "TERMS OF THE ISSUE" BEGINNING ON PAGE 219 OF THIS PROSPECTUS.

THE FACE VALUE OF THE EQUITY SHARE IS ₹10/- EACH AND THE ISSUE PRICE IS 32 TIMES OF THE FACE VALUE OF THE EQUITY SHARE

THIS ISSUE IS BEING MADE IN TERMS OF CHAPTER X-B OF THE SEBI (ICDR) REGULATIONS, 2009 AS AMENDED FROM TIME TO TIME. THIS ISSUE IS A FIXED PRICE ISSUE AND ALLOCATION IN THE NET ISSUE TO THE PUBLIC WILL BE MADE IN TERMS OF REGULATION 43(4) OF THE SEBI (ICDR) REGULATIONS, 2009, AS AMENDED (HEREINAFTER REFERRED TO AS "SEBI (ICDR) REGULATIONS, 2009"/ "THE REGULATIONS"). FOR FURTHER DETAILS, PLEASE REFER TO SECTION TITLED "ISSUE PROCEDURE" BEGINNING ON PAGE 226 OF THIS PROSPECTUS.

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all potential investors shall participate in the Issue only through an Application Supported by Blocked Amount ("ASBA") process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. For details in this regard, specific attention is invited to the chapter titled "Issue Procedure" beginning on page 226 of this Prospectus.

RISK IN RELATION TO THE FIRST ISSUE TO THE PUBLIC

This being the first issue of our Company, there has been no formal market for the securities of the Company. The face value of the Equity Shares is ₹10/- and the issue price is at 32 times of face value. The issue price as determined by our Company in consultation with the Lead Manager and as stated in the chapter titled on "Basis for Issue Price" beginning on Page 67 of this Prospectus should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the shares of the company or regarding the price at which the equity shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares offered in the Issue have not been recommended or approved by the NSE-Emerge Platform nor does NSE-Emerge guarantee the accuracy or adequacy of this Prospectus. **Specific attention of the investors is invited to the section titled "Risk Factors" beginning on Page. 14 of this Prospectus.**

ISSUER'S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares offered through the Prospectus are proposed to be listed on the SME platform of the National Stock Exchange of India Limited ("NSE" i.e., "NSE EMERGE"). In terms of the Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time; in-principle approval from NSE for listing the Equity Shares on the NSE EMERGE has been received pursuant to its letter no. NSE/LIST/76783 dated June 16, 2016. For the purpose of the Issue, NSE shall be the Designated Stock Exchange.

LEAD MANAGER

KARVY INVESTMENT BANKING

KARVY INVESTOR SERVICES LIMITED
46, Avenue 4, Street No.1, Banjara Hills,
Hyderabad-500 034, Telangana, India.
Ph.: + 91 40 2342 8774/2331 2454
Fax: + 91 40 2337 4714
Email:cmg@karvy.com
Investor Grievance email id : igmbd@karvy.com
Website: www.karvyinvestmentbanking.com
Contact Person: Arun Golla/Avinash Palivela
SEBI Registration No: INM000008365

REGISTRAR TO THE ISSUE

skdc

S.K.D.C. Consultants Limited
Kanapathy Towers, 3rd Floor,
1391/A-1, Sathy Road,
Ganapathy, Coimbatore – 641006
Ph: +91 422 6549995, 2539835/36
Fax: + 91 422 2539837
Email: info@skdc-consultants.com
Website: www.skdc-consultants.com
Contact Person: K.Jayakumar
SEBI Registration No: INR000000775

ISSUE OPENS ON: JUNE 30, 2016 (THURSDAY)	ISSUE CLOSES ON: JULY 07, 2016 (THURSDAY)

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SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

In this Prospectus, unless the context otherwise requires, the terms and abbreviations stated hereunder shall have the meanings as assigned therewith. References to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments and modifications notified thereto from time to time.

COMPANY RELATED TERMS

Term	Description
Act/Companies Act	Unless specified otherwise, this would imply to the provisions of the Companies Act, 2013 (to the extent notified) and /or Provisions of Companies Act, 1956 w.r.t. the sections which have not yet been replaced by the Companies Act, 2013 through any official notification.
Articles/Articles of Association/AOA	Unless the context otherwise requires, The Articles of Association of KKV Agro Powers Limited.
Auditor or Statutory Auditor	The Statutory Auditors of our Company namely, M/s Haribhakti & Co. LLP, Chartered Accountants.
Board/Board of Directors/Our Board	The Board of Directors of KKV Agro Powers Limited as duly constituted from time to time, including any committee constituted thereof.
CIN	Corporate Identification Number
CFO, Company Secretary and Compliance Officer	Mrs.C.Renuka
DIN	Directors Identification Number
Director(s)	The director(s) of our Company, unless otherwise specified.
Equity Shares / Shares	Equity Shares of our Company of Face Value of ₹10 each unless otherwise specified in the context thereof.
Group Companies	The word "group companies", wherever they occur, shall include such companies as covered under the applicable accounting standards and also other companies as considered material by the board of directors of our company as disclosed in "Our Promoter Group/ Group Companies/ Entities.
Key Managerial Personnel / KMP	The personnel listed as Key Managerial Personnel in the chapter titled "Our Management" beginning on page 127 of this Prospectus.
"KKV Agro Powers Limited" ("KAPL"), "our Company", "the Company", "the Issuer Company", "the Issuer" "we", "us", and "our".	Unless the context otherwise requires, refers to KKV Agro Powers Limited, a public limited company incorporated under the Companies Act, 1956.
Memorandum/ Memorandum of Association/ MoA	The Memorandum of Association of KKV Agro Powers Limited.
Peer Review Auditors	Independent Auditor having a valid Peer Review Certificate, M/s Haribhakti & Co. LLP, Chartered Accountants.
Promoters	Promoters of our company being Mr. T.K.Chandiran and Mrs.C.Selvi.
Promoter Group	Includes such persons and entities constituting our promoter group in terms of Regulation 2(zb) of the SEBI (ICDR) Regulations and a list of which is provided in the chapter titled "OUR PROMOTER GROUP / GROUP COMPANIES / ENTITIES" beginning on page 143 of this Prospectus.
Registered Office of our Company	Vivagaa Building, # 637, Oppanakara Street, Coimbatore – 641 001.
ROC	Registrar of Companies, Tamil Nadu, Coimbatore, India

ISSUE RELATED TERMS

TERM	DESCRIPTION
Allotment/Allot/Allotted	The allotment of Equity Shares pursuant to the Issue to the successful applicants as the context requires.
Allottee(s)	The successful applicants to whom the Equity Shares are being / have been allotted.
Applicant	Any prospective investor who makes an application for Equity Shares in terms of this Prospectus.
Application Amount	The amount at which the Applicant makes an application for Equity Shares of our Company in terms of this Prospectus.
Application Form	The Form whether physical or electronic, used by an Applicant to make an application, which will be considered as the application for Allotment for purposes of this Prospectus.
Application Supported by Blocked Amount (ASBA)	Means an application for subscribing to an issue containing an authorization to block the application money in a bank account maintained with SCSB.
ASBA Account	Account maintained with SCSBs which will be blocked by such SCSBs to the extent of the appropriate application Amount of the ASBA applicant, as specified in the ASBA Application Form. Pursuant to SEBI Circular dated November 10, 2015 and bearing *Reference No. CIR/CFD/POLICYCELL/11/2015 which shall be applicable for all public issues opening on or after January 01, 2016, all investors shall apply through ASBA process only*.
Public Issue Account	Account opened with Bankers to the Issue to receive monies from the SCSBs from the bank account of the ASBA Applicant, on the designated Date.
Banker(s) to the Company	Indian Bank, P N Palayam, Post Box No.6313, 1087B, Avinashi Road, Pappanickenpalayam, Coimbatore – 641037.
Banker(s) to the Issue	The banks which are Clearing Members and registered with SEBI as Banker to the Issue at which the Public Issue Account will be opened and in this case being HDFC Bank Limited.
Banker to Issue Agreement	Agreement dated June 21, 2016 entered into amongst the Company, Lead Manager, the Registrar and the Banker to the Issue.
Basis of Allotment	The basis on which Equity Shares will be allotted to the Investors under the Issue and which is described in "Issue Procedure" on Page 226 of this Prospectus.
Broker Centers	Broker centres notified by the Stock Exchanges, where the Applicants can submit the Application Forms to a Registered Broker.
Category III FPI	Investors including endowments, charitable societies, charitable trusts, foundations, corporate bodies, trust, individuals and family offices which are not eligible for registration under Category I and II under the SEBI (Foreign Portfolio Investors) Regulations, 2014.
CAN / Confirmation of Allocation Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which will be allotted, after approval of Basis of Allotment by the Designated Stock Exchange.
Client Id	Client Identification Number maintained with one of the Depositories in relation to demat account.

TERM	DESCRIPTION
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issue by SEBI.
Controlling Branches of SCSBs	Such Branches of the SCSBs which co-ordinate Bids by the ASBA Bidders with the Registrar to the Issue and the Stock Exchanges and a list of which is available at http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time.
Depository/ Depositories	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 1996 as amended from time to time, being NSDL and CDSL.
Depository Participant / DP	A Depository Participant as defined under the Depositories Act, 1996.
Designated Date	On the Designed Date, the SCSBs shall transfer the funds represented by allocation of Equity Shares into the Public Issue Account with the Bankers to the Issue.
Designated Intermediaries/ Collecting Agent	An SCSB's with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Stock Broker registered with recognized Stock Exchange, a Depositary Participant, a registrar to an issue and share transfer agent (RTA) (whose names is mentioned on website of the stock exchange as eligible for this activity)
Demographic Details	The demographic details of the Applicants such as their Address, PAN, Occupation and Bank Account details.
Designated SCSB Branches	Such Branches of the SCSBs which shall collect the Application Form from the ASBA Applicant and a list of which is available on http://www.sebi.gov.in.
Designated CDP Locations	Such locations of the CDPs where Applicant can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the website of the Stock Exchange i.e. www.nseindia.com.
Designated RTA Locations	Such locations of the RTAs where Applicant can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the website of the Stock Exchange i.e. www.nseindia.com
Designated Market Maker	Choice Equity Broking Private Limited
Depository Participant	A depository participant as defined under the Depositories Act, 1996
Designated Date	The date on which funds are transferred from the ASBA Accounts to the Public Issue Account in terms of the Prospectus.
Designated Intermediaries/Collecting Agent	An SCSB's with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Stock Broker registered with recognized Stock Exchange, a Depositary Participant, a registrar to an issue and share transfer agent (RTA)(whose names is mentioned on website of the stock exchange as eligible for this activity).
Designated Stock Exchange	NSE Emerge
Draft Prospectus	The Draft Prospectus dated June 2, 2016 issued in accordance with section 32 of the Companies Act, 2013 and filed with the NSE under SEBI (ICDR) Regulations

TERM	DESCRIPTION
Eligible NRI	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to subscribe to the Equity Shares Allotted herein.
Equity Shares	Equity Shares of our Company of ₹10 each.
Escrow Agreement	Agreement entered / to be entered into amongst the Company, Lead Manager, the Registrar, the Escrow Collection Bank(s) for collection of the Application Amounts and for remitting refunds (if any) of the amounts collected to the Applicants (excluding the ASBA Applicants) on the terms and condition thereof.
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
FPI	A Foreign Portfolio Investor who has been registered pursuant to the Securities And Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended
FII	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First/ Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form.
GID	The General Information Document for investing in Public Issues prepared and issued in accordance with SEBI circular CIR/CFD/DIL/12/2013 dated October 23, 2013 notified by SEBI read with SEBI Circular dated November 10, 2015 and bearing reference No. CIR/CFD/POLICYCELL/11/2015 which shall be applicable for all public issues opening on or after January 01, 2016, all the investors can apply through ASBA process.
Indian GAAP	Generally Accepted Accounting Principles in India..
Issue/Issue size/ Initial public issue/ Initial Public Offer/Initial Public Offering	Public issue of 1,12,000 Equity Shares of ₹10/- each ("Equity Shares") of KKV Agro Powers Limited ("KAPL" or the "Company" or the "Issuer") for cash at a price of ₹320/- per share (the "Issue Price"), aggregating to ₹358.40 Lakhs ("the Issue").
Issue Opening date	The date on which the Lead Manager, Syndicate Member, Designated Branches of SCSBs and Registered Brokers shall start accepting Application for this Issue, which shall be notified in an English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI(ICDR) Regulations. In this case being June 30, 2016.
Issue Closing date	The date after which the Lead Manager, Syndicate Member, Designated Branches of SCSBs and Registered Brokers will not accept any Application for this Issue, which shall be notified in an English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI(ICDR) Regulations. In this case being July 07, 2016.
Issue Agreement	The agreement entered into on April 5, 2016 between our Company and Lead Manager pursuant to which certain arrangements are agreed in relation to the Issue.

TERM	DESCRIPTION
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants may submit their Applications.
Issue Price	The price at which the Equity Shares are being issued by our Company under this Prospectus being ₹320 per Equity Share of face value of ₹10 each fully paid.
Issue Proceeds	Proceeds to be raised by our Company through this Issue, for further details please refer chapter title "Objects of the Issue" page no. 60 of this Prospectus.
Lead Manager/LM	Lead Manager to the Issue being - Karvy Investor Services Limited.
Listing Agreement	The SME Equity Listing Agreement to be signed between our Company and National Stock Exchange of India Limited(NSE)
Market Making Agreement	Market Making Agreement dated June 20, 2016 between our Company, LM and Market Maker.
Market Maker	Market Maker appointed by our Company from time to time, in this case being Choice Equity Broking Private Limited, who has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for any other period as may be notified by SEBI from time to time.
Market Maker Reservation Portion	The Reserved Portion of 5,600 Equity Shares of face value of ₹10 each fully paid for cash at a price of ₹320 per Equity Share aggregating ₹17.92 Lakhs to be subscribed by the Market Maker.
Mutual Funds	A mutual Fund registered with SEBI under SEBI (Mutual Funds) Regulations, 1996.
Net Issue	The issue (excluding the market maker reservation portion) of 1,06,400 of ₹10 each at an issue price of ₹320, including a share premium of ₹310.
Non – Resident	A person resident outside India, as defined under FEMA including eligible NRIs and FIIs
Non-Institutional Investor(s)	All Applicants, including Eligible QFIs, sub accounts of FIIs registered with SEBI which are foreign corporates or foreign individuals, that are not QIBs or Retail Individual Applicants and who have applied for Equity Shares for an amount of more than ₹2,00,000 (but not including NRIs other than Eligible NRIs)
NRI/Non-Resident Indian	A person resident outside India, as defined under FEMA and who is a Citizen of India or a Person of Indian Origin is as defined under FEMA (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.
NSEL/NSE	National Stock Exchange of India Limited
NSE EMERGE	The SME platform of NSE, approved by SEBI as an SME Exchange for listing of equity shares offered under Chapter XB of the SEBI ICDR Regulations.
Other Investor	Investors other than Retail Individual Investors. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.

TERM	DESCRIPTION
OCB / Overseas Corporate Body	Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (withdrawal of General Permission to Overseas Corporate Bodies (OCB's) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. OCBs are not allowed to invest in this Issue.
Public Issue Account	Account opened with Bankers to the Issue to receive monies from the SCSBs from the bank account of the ASBA Applicant, on the designated date.
Prospectus	The Prospectus, filed with the RoC containing, inter alia, the Issue opening and closing dates and other information.
Qualified Institutional Buyers or QIBs	A mutual fund, venture capital fund alternative investment fund and foreign venture capital investor registered with the Board; a foreign portfolio investor other than Category III foreign portfolio investor registered with the Board; a public financial institution as defined in Section 4A of the Companies Act, 1956; a scheduled commercial bank; a multilateral and bilateral development financial institution; a state industrial development corporation; an insurance company registered with the Insurance Regulatory and Development Authority; a provident fund with minimum corpus of twenty five crore rupees; a pension fund with minimum corpus of twenty five crore rupees; National Investment Fund set up by resolution F. No. 2/3/2005 - DDII dated November 23, 2005 of the Government of India published in the Gazette of India; insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India.
Registrar/Registrar to the Issue	Registrar to the Issue being SKDC Consultants Limited
Retail Individual Investor(s)	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than ₹2,00,000.
Registrar/ Registrar to the Issue/ RTA/ RTI	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no.CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Registered Broker	Registered Broker Individuals or companies registered with SEBI as "Trading Members" (except Syndicate/Sub-Syndicate Members) who hold valid membership of either BSE or NSE having right to trade in stocks listed on Stock Exchanges, through which investors can buy or sell securities listed on stock exchanges, a list of which is available on http://www.nseindia.com/membership/content/cat_of_mem.htm
Self-Certified Syndicate Banks or SCSBs	The banks which are registered with SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 and offer services in relation to ASBA, including blocking of an ASBA Account in accordance with the SEBI Regulations and a list of which is available on http://www.sebi.gov.in/pmd/scsb.pdf or at such other website as may be prescribed by SEBI from time to time.
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act.
SEBI Act	Securities and Exchange Board of India Act, 1992.

TERM	DESCRIPTION
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and includes the agreement to be entered into between our Company and the Stock Exchange in relation to listing of Equity Shares on such Stock Exchange.
SEBI Regulation/ SEBI (ICDR) Regulations	Means the regulations for Issue of Capital and Disclosure Requirements issued by Securities and Exchange Board of India, constituted in exercise of powers conferred by Section 30 of the Securities and Exchange Board of India Act, 1992 (as amended), called Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended.
SME Exchange	SME Platform of the NSE i.e. NSE EMERGE
SME Platform	The SME Platform of NSE i.e. NSE EMERGE for listing equity shares offered under Chapter X-B of the SEBI ICDR Regulations which was approved by SEBI as an SME Exchange on September 27, 2011.
Transaction Registration Slip/TRS	The slip or document issued by the member(s) of the Syndicate to the Applicant as proof of registration of the Application.
Stock Exchange	Unless the context requires otherwise, refers to, National Stock Exchange of India Limited
Underwriters	Karvy Investor Services Limited
Underwriting Agreement	The Agreement among the Underwriters and our Company
Working Days	"Working Day" means all days, other than second and fourth Saturday of the month, Sunday or a public holiday, on which commercial banks in Mumbai are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid/Offer Period, "Working Day" shall mean all days, excluding all Saturdays, Sundays or a public holiday, on which commercial banks in Mumbai are open for business;

INDUSTRY RELATED TERMS

TERM	DESCRIPTION
AD	Accelerated Depreciation
AMC	Annual Maintenance Contract
APPC	Average Power Purchase Cost
APPPC	Average Pooled Power Purchase Cost
APTEL	Appellate Tribunal for Electricity
AT & C	Aggregate Technical and Commercial
ATE	Appellate Tribunal for Electricity
CEA	Central Electricity Authority
CERA	Central Electricity Regulatory Authority
CPI	Consumer Price Inflation
CPP	Captive Power Plant
CPSU	Central Public Sector Undertaking
CSO	Central Statistics Office
CUF	Capacity Utilization Factor
CWET	Center for Wind Energy Technology
DISCOM	Distribution Company

TERM	DESCRIPTION
EA	Electricity Act, 2003
FPPCA	Fuel and Power Purchase Cost Adjustment
FRP	Financial Restructuring Package
GBI	Generation Based Incentive
GOTN	Government of Tamil Nadu
GW	Giga Watts
HT	High Tension
IPP	Independent Power Producer
IEGC	Indian Electricity Grid Code
ISRO	Indian Space Research Organization
IREDA	Indian Renewable Energy Development Authority
JNNSM	Jawaharlal Nehru National Solar Mission
KWH	Kilo Watt Hour
MNRE	Ministry of New and Renewable Energy
MU	Million Units
MW	Mega Watt
NAPCC	National Action Plan on Climate Change
NIWE	National Institute of Wind Energy
NTP	National Tariff Policy
NTPC	National Thermal Power Corporation
OA	Open Access
O & M	Operation and Maintenance
PFC	Power Finance Corporation
PGCIL	Power Grid Corporation India Ltd
PLF	Plant Load Factor
PPA	Power Purchase Agreement
PV	Photo Voltaic
RA	Regulatory Assets
REC	Renewable Energy Certificate
RPO	Renewable Purchase Obligation
SERC	State Electricity Regulatory Authority
SPO	Solar Purchase Obligation
STU	State Transmission Utility
TANGEDCO	Tamil Nadu Generation and Distribution Company Ltd
T & D	Transmission and Distribution
TEDA	Tamil Nadu Energy Development Agency
TNERC	Tamil Nadu Electricity Regulatory Commission
UDAY	Ujwal DISCOM Assurance Yojna
VGF	Viability Gap Funding
WPD	Wind Power Density
WTG	Wind Turbine Generator

ABBREVIATIONS

ABBREVIATION	Description
ADR	American Depository Receipt
AGM	Annual General Meeting
ASBA	Application Supported by Block Amount
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
A.Y	Assessment Year
B.A	Bachelor of Arts
B.Com	Bachelor of Commerce
BG/LC	Bank Guarantee / Letter of Credit
CA.	Chartered Accountant
CD	Certificate of Deposit
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
COO	Chief Operating Officer
CAGR	Compounded Annual Growth Rate
CS	Company Secretary
CFR (C& F)	Cost and Freight
DP	Depository Participant
DIN	Director Identification Number
EFT	Electronic Funds Transfer
EGM / EOGM	Extra Ordinary General Meeting of the shareholders
EPS	Earnings per Equity Share
ETF	Exchange Traded Funds
FCNR Account	Foreign Currency Non Resident Account
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time and the regulations issued there under.
FII(s)	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended from time to time) registered with SEBI under applicable laws in India.
FI	Financial Institutions.
FIPB	Foreign Investment Promotion Board, Department of Economic Affairs, Ministry of Finance, Government of India.
FY / Financial Year	Financial Year
FVCI	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
GATT	General Agreement on Tariff & Trade
GDP	Gross Domestic Product
GIR Number	General Index Registry Number
GOI/ Government	Government of India
GVA	Gross Value Added
HUF	Hindu Undivided Family
INR / Rs./ Rupees/₹	Indian Rupees, the legal currency of the Republic of India
IPO	Initial Public Offering
ISIN	International Securities Identification Number
IT Act	Income Tax Act, 1961
MAT	Minimum Alternate Tax
NSE	National Stock Exchange of India Limited.
NAV	Net Asset Value

ABBREVIATION	Description
No.	Number
NR	Non Resident
NSDL	National Securities Depository Limited
NECS	National Electronic Clearance Service
PAN	Permanent Account Number
PAT	Profit after Tax
PBT	Profit before Tax
P/E Ratio	Price/Earnings Ratio
RBI	The Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934, as amended from time to time
RoC/Registrar of Companies	Registrar of Companies, Tamil Nadu, Coimbatore
RONW	Return on Net Worth
SCRA	Securities Contract (Regulations) Act, 1956
SME	Small And Medium Enterprises
VAT	Value Added Tax
YOY	Year on Year

The words and expression used but not defined in the Prospectus will have the same meaning as assigned to such terms under the Companies Act, SEBI Act, the SCRA, the Depositories Act and the rules and regulations made there under.

Notwithstanding the foregoing, terms in "Main Provisions of Articles of Association of our Company", "Statement of Tax Benefits", "Key Industrial Regulations and Policies" and "Financial Information" on pages 270, 70, 117 and 151 of this Prospectus respectively, shall have the meanings given to such terms in these respective sections.

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Financial Data

Unless stated otherwise, the financial data in this Prospectus is extracted from our audited financial statements for the Nine-Month period ended December 31, 2015 and Financial Years ended March 31, 2015, 2014, and 2013 prepared in accordance with the applicable provisions of the Companies Act and Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, 2009, as stated in the report of our Auditors and the SEBI Regulations and set out in the section titled 'Financial Information' on Page 151. Our restated financial statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act, and have been restated in accordance with the SEBI Regulations.

Our Financial Year commences on April 1st and ends on March 31st. In this Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All decimals have been rounded off to two decimal points.

There are significant differences between Indian GAAP, US GAAP and IFRS. Our Company has not attempted to explain those differences or quantify their impact on the financial data included herein and we urge you to consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the Indian GAAP financial statements included in this Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Prospectus should accordingly be limited.

Currency of Presentation

In this Prospectus, references to "Rupees" or "Rs." or "INR" or "₹" are to Indian Rupees, the official currency of the Republic of India.

In this Prospectus, throughout all figures have been expressed in Lakhs, except as otherwise stated. The word "Lakhs", "Lac", "Lakh" or "Lakh" means "One hundred thousand". Any percentage amounts, as set forth in "Risk Factors", "Our Business", "Management Discussion and Analysis of Financial Conditions and Results of operation" and elsewhere in this Prospectus, unless otherwise indicated, have been calculated based on our restated financial statement prepared in accordance with Indian GAAP.

Industry and Market Data

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

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

For additional definitions, please refer the section titled "Definitions and Abbreviations" on Page 2 of this Prospectus.

In accordance with the SEBI (ICDR) Regulations, the section titled "**Basis for Issue Price**" on page 67 of the Prospectus includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we, nor the LM, have independently verified such information.

FORWARD LOOKING STATEMENTS

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

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

- Our ability to successfully implement our strategy, growth and expansion plans
- Geographical changes in the wind directions and wind density;
- Our customers' business performance and developments in their markets and industries and their continuing sourcing of electricity and commitments to PPAs.
- Variation in the electricity demand and supply situations;
- Regulations in the wind energy industry, including tax laws, the monetary and interest policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices;
- Changes in technology
- Developments affecting the Indian economy;
- General economic and political conditions in India which have an impact on our business activities or investments;
- Uncertainty in domestic and global financial markets;
- Changes in laws and regulations relating to the industry in which we operate;
- Increased competition in renewable energy industry;

For a further discussion of factors that could cause our actual results to differ, see the sections titled "Risk Factors", "Our Business" and "Management Discussion and Analysis of Financial Condition and Results of Operations" on Page 14, Page 100 and Page 184 respectively of this Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

Forward looking statements speak only as of the date of the Prospectus. None of our Company, our Directors, our officers, any Underwriter, or any of their respective affiliates or associates has any obligation to update or otherwise revise any statement 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. Our Company and the Lead Manager will ensure that investors in India are informed of material developments until the commencement of listing and trading.

SECTION II: RISK FACTORS

RISK FACTORS

An investment in our Equity Shares involves a high degree of risk and you should carefully consider all the information in this Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. If any, or some combination, of the following risks actually occurs, our business, prospects, results of operations and financial condition could suffer, the trading price of our Equity Shares could decline and you may lose all or part of your investment.

This Prospectus also contains forward-looking statements that involve risks and uncertainties. We have described the risks and uncertainties that our management believes are material, but these risks and uncertainties may not be the only ones we face. Additional risks and uncertainties, including those we are not aware of or deem immaterial, may also result in decreased revenues, increased expenses or other events that could result in a decline in the value of our Equity Shares. In making an investment decision, prospective investors must rely on their own examination of our Company and the Issue, including the merits and risks involved. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. Investors should not invest in this Issue unless they are prepared to accept the risk of losing all or part of their investment, and they should consult their tax, financial and legal advisors about the particular consequences to you of an investment in the Equity Shares.

To obtain a better understanding of our business, you should read this section in conjunction with other chapters of this Prospectus, including the chapters titled "Our Business", "Management Discussion and Analysis of Financial Condition and Results of Operations" and "Financial Information" on pages 100, 184 and 151 respectively of this Prospectus, together with all other financial information contained in the Prospectus. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Prospectus.

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

i. *Some risks may not be material individually but may be material when considered collectively.*
ii. *Some risks may have an impact which is qualitative though not quantitative.*
iii. *Some risks may not be material at present but may have a material impact in the future.*

Internal Risk Factors

1. Our customers may fail to maintain the 26% share capital in our company as mandated under the "Group Captive Consumption Scheme"

Our Company operates under Open Access Regulation under Electricity Act 2003. As per the regulation, Group Captive Power sale model is that Consumer`s must have 26% stake in the Company should consume not less than 51% power what generated. If either or both case not satisfied then the entire power sale will be considered as Third party power sale and Cross subsidy surcharge will be levied to end user, which then will be borne by the Company and it will affect profitability of Company.

2. All our operating wind mills are acquired from the related parties "The KTM Jewellery Ltd" and "Mr.T.K.Chandiran" are on outright second hand basis.

We were acquiring wind turbines, approximate age of 6 - 7 years old from the KTM Jewellery Limited & Mr. T.K.Chandiran from the FY 2012-13. This may affect our power generating capability and any substantial repairs to these assets could affect the financial condition of our Company. Commerically many machines are generating power even after 25 years of its life cycle.

3. We are dependent on a small number of customers and our business is dependent on our continuing relationships with our customers, with whom we have not entered into long term arrangements.

We derive all of our revenues from a small number of customers. Our three customers contributed all of our total income for the financial year 2014-15 and for the Nine Months ended December 31, 2015. We may not be successful in winning significant business each year from our existing or future clients as the generation and supply of electricity is dependent on various factors. Furthermore, we do not have long term arrangements with our customers. We are supplying power to our customers on short and medium term basis for better price discovery. The potentiality that we possess is adequate to supply power to existing customers. Number of customers will be increased with increase in capacity addition. Based on the track record of 10 years of supply and demand in Tamil Nadu, there is a substantial demand for power.

4. We have a limited operating history, which may make it difficult to evaluate our past performance and prospects.

Our Company was incorporated in June 2012, by acquiring wind energy generators. Given our limited operating history in the wind power business, we may not succeed in addressing certain risks pertaining to companies in an early stage of growth, including our ability to acquire and retain customers or maintain adequate control of our costs and expenses. If we are unsuccessful in addressing business risks in time or at all, our business may be materially and adversely affected. Accordingly, investors should consider our business and prospects in light of the risks, losses and challenges that we face as an early-stage company.

For our business to succeed, amongst other things, we must successfully undertake the following activities:

- implement and successfully execute our business strategies;
- manage costs to ensure we can maintain competitive pricing with attractive margins;
- continue to develop our technology;
- respond to competitive developments;

There can be no assurance that we will be successful in undertaking such activities in time or at all. Our failure to successfully undertake one or more of the activities described above could materially adversely affect our business, prospects, financial condition and results of operations. Further, our limited operating history may not provide a meaningful basis for evaluating our business, financial performance, prospects or results of operations, or to make a decision about an investment in our Equity Shares.

For further details in this regard, please refer to the chapters "Our History and Corporate Structure", "Our Promoters, Promoter Group and Group Companies" and "Management Discussion and Analysis of Financial Condition and Results of Operations" on pages 122,143 and 184, respectively.

5. The viability and level of wind energy generation is dependent on wind patterns, which are not constant and vary over time.

The viability of wind energy projects is primarily dependent on the wind patterns at project sites conforming to the patterns that had previously been recorded to determine the suitability of these sites for wind energy projects. Although the Company uses data collected by The National Institute of Wind Energy ("NIWE") (Formerly Known as Centre for Wind Energy Technology ("C-WET")) and conducts wind resource assessments based on long-term wind patterns at identified sites, there can be no assurance that wind patterns at a particular site will remain constant. Any changes in wind patterns at particular sites that have been previously identified as suitable for wind energy projects could affect our Company's ability to generate the electricity and could also damage our reputation and prospects. Failure on the part of our Company to identify suitable locations or any subsequent changes in the wind pattern could have a material adverse effect on our Company's business, financial condition, cash flows and results of operations.

6. We rely on third party contractors for a substantial portion of our activities.

We engage independent third party contractors to provide a substantial portion of our activities, including (a) Repairs and Maintenance of our wind mills and solar farms, (b) infrastructure development at our sites, which includes building group and unit sub-stations, transmission lines, roads, foundations of turbines, electrical work at site, erection including crane services etc. and (c) designing and fabricating of our solar farms. There can be no assurance that the work performed by such contractors will be of satisfactory quality, completed in a timely manner, or at all. If the work is not completed and/or is not of acceptable quality, we may incur substantial additional costs to remedy any defects and our reputation could be significantly harmed. Moreover, there can be no assurance that skilled contractors will continue to be available at reasonable rates and in proximity to our projects, or at all. Furthermore, there is a risk that major contractors may experience financial or other difficulties, which may affect their ability to carry out work, thus delaying the completion of our projects, carrying out maintenance works or resulting in additional costs to us. Any of the foregoing could have an adverse effect on our business, financial condition and results of operations.

7. All of our experience in operating the projects is derived from projects which we have acquired in the state of Tamil Nadu. Hence, we have limited experience operating projects outside Tamil Nadu.

All of our projects are located in the state of Tamil Nadu. As a result, most of our experience operating projects is derived from a single state in India. The experience that we have gained from our existing projects may not be fully relevant or applicable to the development/ operation of future renewable energy projects if any in other states of India and hence we may face limitations to geographical growth of business. We face additional risks if we undertake projects in other geographic areas in which we do not possess the same level of experience such as:

- adjusting our development and operational methods to different geographic areas;
- to comply with different legal and regulatory requirements;
- obtaining the necessary government and other approvals in time or at all;
- finding reputable turn-key contractors;
- attracting customers in a market in which we do not have significant experience; and
- hiring sufficiently experienced employees and absorbing increased management costs.

8. We have entered into, and will continue to enter into, related party transactions.

Our Company has entered into certain transactions with our related parties including our Promoter and the Promoter Group. While we believe that all such transactions have been conducted on the arm's length basis, there can be no assurance that we could not have been achieved more favorable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we will enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operation. Pursuant to these transactions, it has determined transfer prices that it believes are at arm's length. However, if the tax authorities of India or other jurisdictions were to challenge these or past transactions successfully or require changes in its transfer pricing policies, our Company could be required to re-determine transfer prices and/or pay additional taxes with respect to past transactions which may result in a higher tax liability to us and, as a result, our earnings would be adversely affected. Our Company believes that it operates in compliance with all applicable transfer pricing laws. However, there can be no assurance that we will be found to comply with transfer pricing laws, or that such laws will not be modified.

9. ***We generally rely on transmission lines and other transmission facilities that are owned and operated by government or public entities. Where we develop our own transmission lines, we are exposed to transmission line development risk, which may delay and increase the costs of our projects.***

We often depend on electric transmission lines owned and operated by government or public entities to deliver the electricity we sell. Some of our projects have limited access to interconnection and transmission capacity. We may not be able to secure access to the available interconnection or transmission capacity at reasonable prices or at all. Moreover, in the event of a failure in the transmission facilities, we may lose revenues. Transmission limitations may cause us to curtail our production of electricity, impairing our ability to fully capitalize on a particular projects' potential. Any such failure could have a material adverse effect on our business, financial condition and results of operations. In certain circumstances, we must develop a sub-station or transmission lines from our projects to nearby electricity transmission or distribution networks. In order to construct transmission and interconnection facilities, we must secure requisite approvals, permits and land rights, which may be difficult, impossible, or prohibitively expensive to acquire. We may not be successful in these activities and our projects that rely on such transmission and interconnection development may be delayed or experience cost overruns.

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

Although we attempt to maintain the latest technology standards, the technology requirements for businesses in the power sector are subject to continuing change and development. Some of our existing technologies and processes in the power business may become obsolete, performing less efficiently compared to newer and better technologies and processes in the future. The cost of upgrading or implementing new technologies, upgrading our existing equipment or expanding capacity could be significant and could adversely affect our results of operations. Failure to respond to current and future technological changes in the renewable energy industry in an effective and timely manner may have a material adverse effect on our business, financial condition or results of operations.

11. ***We experienced negative cash flows for in the past and we cannot assure you that we will be able to generate positive cash flows in the future.***

We experienced negative cash flows from operating activities of ₹15.38 Lakhs for Financial Year 2015 and decrease in cash and cash equivalents for the Nine Months ended December 31, 2015 of ₹240.42 Lakhs. If we experience negative cash flows or are unable to generate positive cash flows in the future, it could adversely affect our results of operations and financial condition.

12. ***The Objects of the Issue are based on quotations and the internal estimates of our management, and have not been appraised by any bank or financial institution. The deployment of funds in the project is entirely at our discretion and as per the details mentioned in the chapter titled "Objects of the Issue".***

Our funding requirements and the deployment of the proceeds of this Issue are based on quotations received from third parties and management estimates and have not been appraised by any bank or financial institution or any independent agency. We may have to revise our quotations and management estimates from time to time and consequently, our funding requirements may also change. In addition, we have not entered into any definitive agreements to utilize the net proceeds of the Issue. Our management, in accordance with the policies established by our Board of Directors from time to time, will have flexibility in deploying the net proceeds of the Issue. Based on the competitive nature of our industry, we may have to revise our business plan and/ or management estimates from time to time and consequently our funding requirements may also change. In the case of increase in actual expenses or shortfall in requisite funds, additional funds for a particular activity will be met by means available to us, including internal accruals and additional equity and/or debt arrangements. If actual utilization towards the objects of the Issue is lower than the proposed deployment, such balance will be used for future growth opportunities, including funding other existing objects, if required. If estimated utilization of the Net Proceeds is not completely met in a Financial Year, it shall be carried forward. This re-schedulement or reallocation of our project and capital expenditure may have an adverse impact on our business prospects, financial condition, and cash flows.

We may make necessary changes to the utilization of net proceeds in such cases in conformity with the provisions of the Companies Act in relation to the change in the objects in a public issue. In the event of any variations in actual utilization of funds earmarked for the above activities, any increased fund deployment for a particular activity may be met from funds earmarked from any other activity and/or from our internal accruals. Further, the deployment of the funds towards the Objects of this Issue is entirely at the discretion of our Board of Directors and is not subject to monitoring by external independent agency. For further details of the Objects of the Issue, please refer to the chapter titled "Objects of the Issue" on page 60 of this Prospectus.

13. We intend to utilize a portion of the Net Proceeds to set up a wind mill in the state of Tamil Nadu for ₹475 Lakhs and erection of 33KV Electricity Transmission Line for ₹50 Lakhs. Any delay in setting up of wind mill and not adhering to the schedule of implementation could have a material adverse effect on our business growth and prospects, financial condition and results of operations.

We intend to utilize a portion of our Net Proceeds to set up a Wind Energy Generator of 0.8 MW in the state of Tamil Nadu and erection of 33KV Transmission Line for Grid Connectivity. For details, see "Objects of the Issue" at page 60 of this Prospectus. Any failure to purchase equipment within our budget and as per schedule of implementation, could adversely impact our financial condition and also our growth prospects.

14. We cannot assure you that we will make dividend payments.

We may not pay dividends to shareholders. Such payments will depend upon a number of factors, including our results of operations, earnings, capital requirements and surplus, general financial conditions, contractual restrictions including our debt covenants, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

15. Our flexibility in managing our operations is limited by the regulatory environment in which we operate. This environment is undergoing reform and we may not be able to respond effectively.

Our business is subject to complex regulations, both local as well as central government, supervised by multiple regulatory authorities and government bodies. For more information, please refer to the chapter titled "Key Industry Regulations and Policies" on page 117 of this Prospectus. To conduct our business, we must obtain licenses, permits and approvals, for which we may have made, or are in the process of making, an initial or renewal application. If we fail to obtain or retain any of these approvals or licenses, or renewals thereof, in a timely manner, or at all, our business may be adversely affected. Furthermore, our Government approvals and licenses are subject to numerous conditions, some of which are onerous and require expenditure. If we fail to comply or a regulator claims that we have not complied with these conditions, we may be required to incur costs to remedy the lack of compliance and/or the damage caused as a result or pay fines or other penalties for noncompliance, in which case our business, prospects, financial condition and results of operations could be materially adversely affected. We cannot assure you that we would be able to continuously meet such conditions or be able to prove compliance with such conditions to the statutory authorities, and this may lead to cancellation, revocation or suspension of relevant licenses or approvals, which may result in the interruption of our operations and may adversely affect our business, financial condition and results of operations.

16. Our Promoters have given personal guarantees in relation to certain debt facilities provided to us, which if revoked may require alternative guarantees, repayment of amounts due or termination of the facilities.

Our Promoters have given personal guarantees in relation to certain debt facilities provided to us. In the event that any of these guarantees are revoked, the lenders for such facilities may require alternate guarantees, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantees satisfactory to the lenders, and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could affect our financial condition and cash flows.

17. There are certain Restrictive/Negative Covenants in some of the agreements which the Company has entered into, during the course of its business.

Our financing agreement include various restrictive conditions and covenants restricting certain corporate actions, and our Company is required to take the prior approval of Indian Bank ("the lender") before carrying out such activities. For instance, our Company is required to obtain the prior written consent of the lender in the following instances:

- Change or in any way alter the capital structure of our Company;
- Effect any scheme of amalgamation or reconstitution;
- Implement a new scheme of expansion/modernization or take up an allied line of business or manufacture;
- Revaluing the assets of the Company;
- Change the accounting system of the company radically.
- Declare a dividend or distribute profits after deduction of taxes, except where the instalments of principal and interest payable to the Bank are being paid regularly;
- Enlarge the scope of other manufacturing/trading activities, if any undertaken at the time of the application and notified to the Bank as such;
- Withdraw or allow to be withdrawn any monies brought in by its proprietors, partners, relatives and friends or proprietors/partners/promoters or directors;
- Invest any funds by way of deposits, or loans or in share capital of any other concern (including subsidiaries) so long as any money is due to the Bank; our Company will however be free to deposit funds by way of security, with third parties in the normal course of business or if required for the business;
- Borrow or obtain credit facilities of any description from any other bank or credit agency or money lenders or enter into any hire purchase arrangement during the currency of the loan;
- Any material change in the project

Defaults under one or more of our Company's financing agreements may limit our flexibility in operating our business, which could have an adverse effect on our cash flows, results of operations and financial condition. Compliance with the various terms of such financing arrangements, however, is subject to interpretation and there can be no assurance that we have requested or received all relevant consents from our lenders as contemplated under our financing arrangements. It may be possible for a lender to assert that we have not complied with all applicable terms under our existing financing documents. Further we cannot assure that we will have adequate funds at all times to repay these credit facilities and may also be subject to demands for the payment of penal interest.

18. Our Company has unsecured loans from Mr.T.K.Chandiran who is one of our promoters which is repayable on demand. Any demand for repayment of such unsecured loans, may adversely affect our business Operations and financial condition of our Company

As on April 30, 2016, the outstanding unsecured loans payable to our promoter Mr.T.K.Chandiran is ₹477.26 Lakhs which are repayable on demand. Any demand from the promoter for repayment of such unsecured loans may adversely affect the financial condition and result of operations of our Company.

19. Logos and trademarks that we use are not registered in our name.

We do not own the brand KKV and the ""symbol. These are licensed to us under a non-exclusive basis from SCM Global Brands Pvt Ltd which is a part of our promoter group. The agreement was entered into on 18th of November, 2014, and is effective from 1st April, 2014 which is valid for a period of five years. The agreement also stipulates that we pay a royalty of 0.5% of the Net Sales calculated on a yearly basis and that it may be terminated unilaterally by the licensor in case of any serious breach of agreement by us. Also, we cannot assure you that the license will be renewed in the future. Consequently, we may be unable to capitalize on our brand recognition.

20. There are certain legal proceedings and claims involving our Directors, Promoters and Group Companies/Entities and the same are pending at different stages before the Judicial/Statutory authorities. Any rulings by such authorities against our Directors, Promoters and Group Companies/Entities may have an adverse material impact on their operations.

The following litigations are pending against/by our Directors and Group Companies.

I. Litigation against Directors

Criminal Complaint bearing No 17254/2007 was filed by Mr. V. R. A. R. Ramakrishnan ("Complainant") against the directors and shareholders of Rathna Textiles Private Limited Bangalore and Mr.T.K.Chandiran in his capacity as an erstwhile Managing Director of TCS Textiles Private Limited ("Accused") (since been merged with Gajaananda Jewellery Maart Private Limited) before palladam court regarding the selling of land measuring 9.34 acres situated in Neelambr, Coimbatore by Rathna Textile Private Limited to TCS Textiles Private Limited. The Hon'ble Court has rejected the claim vide their order dated 02nd April, 2012, directing the complainant to approach the Company Law Board. A petition was filed by complainant in the Company Law Board. The case is currently pending before the Company Law Board.

II. Outstanding litigations involving Our Group Companies.

a. Litigation by Group Companies

Civil Suit No 130/2014 has been filed by TCS Textiles Private Limited ("Plaintiff") (since been merged with Gajaananda Jewellery Maart Private Limited) against National Insurance Company Limited ("Defendants") for recovery of insurance claim of ₹93,68,822 on account of fire accident at the plaintiff's one of the unit. The Complainant has taken a special contingency policy, including the cover of standard fire and special peril policy with defendant. The defendant has admitted a partial amount of loss against the total loss as per the surveyor report. The plaintiff has filed the suit for recovery of differential amount of ₹78,50,213 (including interest of ₹15,00,000 towards deficiency of service and mental agony) and ₹14,00,000 towards legal charges. The Case is currently pending before State Consumer Disputes Redressal Commission at Chennai with next hearing is scheduled for 1st July, 2016.

b. Litigation against Group Companies

1. A First Information Report No. 638/13 has been filed by T. Kamaraj has filed ("Complainant") against The KTM Jewellery Limited and its employees ("Respondents") with Palayamkottai Police station alleging that the respondent has provided the discount on textile goods is on enhanced retail price which is higher than the Maximum Retail Price and also for ill-treatment meted out. The compliant has been forwarded by the police authorities to the Judicial Magistrate of Tirunelveli and is pending for action.

2. Civil Suit No I.D.No.46 of 2015 was filed by Mr. V. Murugan ("Complainant") against The Chennai Silks (The KTM Jewellery Limited) - ("Defendants") for deputing the branch manager from one branch to other branch towards breach of conduct and has claimed an amount of ₹50,000 towards loss of salary. The case has been dismissed but we are yet to receive the order copy.

III. Details of outstanding demand in respect of Income Tax against Group Companies:

Notice under section 143(2) of the Income Tax Act, 1961 for Asst year 2012-13 and 2013-14
The KTM Jewellery Ltd had received notice under section 143(2) of Income Tax Act 1961 for Asst year 2012-13 and 2013-14 for furnishing the documents to Income Tax Officer Corporate Circle-2, Coimbatore. The demand amount is ₹91.27 lakhs and 74.80 lakhs for the AYs 2012-13 and 2013-14 respectively.

For further details, please refer to section titled "Outstanding Litigations and Material Developments" on page 197 of this Prospectus.

21. We do not own a majority of the key properties from where, we carry out our operations

The Properties on which we have installed our Wind Mills are being occupied on a rental / lease basis and are not owned by us. Though the majority of agreements are entered for a lease period of 20 to 25 years, the lessor may terminate the agreement by giving a notice period of 2-3 months. If the owner of such asset/premises does not renew the agreement under which we occupy the premises or renew such agreements on terms and conditions that are unfavourable to us or is terminated prior to its tenure, our business may be adversely affected.

22. We may suffer uninsured losses or experience losses exceeding our insurance limits.

Our equipment could suffer physical damage from fire or other causes, resulting in losses, which may not be fully compensated by insurance. In addition, there are certain types of losses, such as those due to floods, other natural disasters, terrorism or acts of war, which may be uninsurable or are not insurable at a reasonable premium. The proceeds of any insurance claim may be insufficient to cover our losses as a result of inflation, changes in regulations relating to infrastructure development, environmental issues as well as other factors. Should an uninsured loss or a loss in excess of insured limits occur, we may lose the capital invested in and the anticipated revenue from the affected property. We cannot assure you that losses in excess of insurance proceeds will not occur in the future. In addition, any payments we make to cover any uninsured loss may have a material adverse effect on our business, financial condition and results of operations.

There can be no assurance that these expansion plans, including our new plant, will be completed on time or at all and that our plants will generally perform at expected levels of output or efficiency. Equipment installed in our existing plant and new plant proposed to be set up may not function as planned and may be subject to breakdown or failure. Our growth strategies involve risks and difficulties, all or any of which may be beyond our control, and accordingly, there can be no assurance that we will be able to complete our scheduled expansions on time or at all and/or without incurring additional expenditures. If market conditions change, if operations do not generate sufficient cash flows or for any other reasons, we may decide to delay, modify or forego all or part of our growth strategies. Our future results of operations may be adversely affected if we are unable to implement our growth strategies successfully or at all.

23. The change in or elimination of government initiatives and incentives relating to renewable energy sources, and in particular to wind energy, may have a material adverse effect on the demand for wind energy.

In recent years, governments in many countries, including India, have enacted legislation or have established policies that support the expansion of renewable energy sources, such as wind and solar energy, and such support has been a significant factor in contributing to the growth of the wind energy industry. Support for investments in wind and solar energy is generally provided through Financial Year incentive schemes or public grants to the owners of wind and solar energy systems, for example through tax incentives promoting investments in wind and solar energy.

Internationally, there is increasing focus on reducing dependence on fossil fuels and cutting carbon dioxide emissions leading to additional taxes being imposed on those sources of energy. Such additional taxation has indirectly supported the expansion of power generated from renewable energy and, in turn, the wind energy and solar industry in general.

In the past, the decrease in, or elimination of, direct or indirect government support schemes for renewable energy, including wind energy, in a country has had a negative impact on the market for wind energy in that country. There can be no assurance that government support will continue at the same level or at all.

If direct and indirect government support for wind energy is terminated or reduced in any jurisdiction which is material for the Company's business, or if the government provides greater support to other sources of renewable energy, it would make producing electricity from wind and solar energy less competitive. In addition, there is a risk that government policies could change in a manner that makes it less attractive for investors to establish captive energy generating facilities in general, and wind energy projects in particular.

Governments in jurisdictions where the Company operates may introduce more attractive incentives for other forms of renewable energy such as solar or bio-mass which might affect the wind and solar energy industry generally and the Company's business in particular. The results of such changes may include attracting potential investors and customers towards other forms of renewable energy to benefit from investment tax credit schemes on other forms of renewable energy. This may have a material adverse effect on the Company's business, financial condition, cash flows and results of operations.

24. Our Promoters and Directors may have interests in us other than reimbursement of expenses incurred or normal remuneration or benefits.

Our Promoters and Directors are interested in us to the extent of their shareholding in our Company and the dividend entitlements from it. In addition to the remuneration paid for services and reimbursement of expenses to our Directors for services rendered as our Directors, our Promoters and Directors may also be interested to the extent of any transaction entered into by us with any other company or firm or trust in which they are interested. For example, we have entered into a Trademark License Agreement dated September 24, 2015 with SCM Global Brands Private Limited, in which our Promoters Mr.T.K.Chandiran and Mrs.C.Selvi are shareholders.

25. Our Promoters and Directors have pecuniary or equity interests in certain of our Group Companies, which may under their constitution, are allowed to enter into similar businesses as our Company, which may create a conflict of interest. Further, we do not enjoy contractual protection by way of a non–compete or other agreement or arrangement with such Group Companies.

Our Promoters and Directors are promoters/ directors of our Group Company "The KTM Jewellery Limited", pursuant to its Memorandum of Association is authorised to carry out common business objects with our Company. Although it doesn't have any power generation capabilities as of now, "The KTM Jewellery Limited" also has generation of electricity as one of its objects. As these entities do not have any non-compete agreements in place, conflicts of interest may arise in allocating or addressing business opportunities and strategies amongst our Company and other companies/entities in which our Promoters and Directors hold equity shares or are the directors.

26. Our Promoters and Promoter Group will continue to retain majority control over the Company after the Issue, which will allow them to influence the outcome of matters submitted to shareholders for approval.

Upon completion of the Issue, our Promoters and Promoter Group will own 69.12% of the post - Issue Equity Share capital of our Company. As a result, the Promoters and Promoter Group will have the ability to exercise significant influence over all matters requiring shareholders' approval, including the election of directors and approval of significant corporate transactions. The Promoters and Promoter Group will also have an effective veto power with respect to any shareholder action or approval requiring a majority vote. Such concentration of ownership may also have the effect of delaying, preventing or deterring a change in control.

27. We may not be able to identify or correct defects or irregularities in title to the land upon which we own or intend to develop our power projects.

There may be various legal defects and irregularities in title to the lands on which we currently own or intend to develop our renewable energy projects, which we may not be able to fully identify or assess. Our rights in respect of these lands may be compromised by improperly executed, unregistered or insufficiently stamped conveyance instruments in the property's chain of title, unregistered encumbrances in favour of third parties, rights of adverse possessors, ownership claims of family members of prior owners, or other defects that we may not be aware of. Any defects or irregularities of title may result in loss of development rights over land, which will prejudice the success of our power projects and may require us to write off substantial expenditures in respect of a project. Any inability to identify defects or irregularities of title, and any inability to correct any such defects or irregularities of title may have an adverse effect on our business, financial condition and results of operations. Any decision to acquire land based on inaccurate, incomplete or dated information may result in risks and liabilities associated with acquiring and owning such parcels of land.

28. Our assets and operations are subject to hazards customary to the electricity generation industry

Our main assets include, among other things, WEGs, blades, transformers and interconnection infrastructure. Operating these assets involve risks and hazards that may adversely affect our operations, including equipment failures, natural disasters, environmental hazards and industrial accidents. These and other hazards can cause significant personal injury or death, severe damage to and destruction of property, plant and equipment, contamination of, or damage, to the environment and suspension of operations. We may also face civil liabilities or fines in the ordinary course of our business as a result of damages suffered by third parties, which may require us to make indemnification payments in accordance with applicable laws.

29. The viability of wind and solar energy projects is dependent on the price at which electricity can be sold

The viability of a wind energy project in a particular region is also dependent on the price at which electricity can be sold as well as the cost of wind and solar generated electricity compared to electricity generated from other sources of energy in such region. Wind and Solar energy projects require higher initial capital investment per kWh of energy produced as compared to that required for a fossil fuel-based power plant. The cost of electricity produced by wind and solar energy projects is dependent on the cost of establishment of the wind and solar energy projects themselves, including access to the electricity grid, financing costs, maintenance costs and wind conditions at the designated site. Continued investment in product techniques and technical advances in design has led to an overall reduction in the cost per kWh of power from wind and solar energy over a period of time. However, an increase in cost competitiveness or significant developments in technology for other sources of power generation would have a material adverse effect on our Company's business, financial condition, cash flows and results of operations.

30. To expand our renewable energy business, we must find, and obtain control of suitable operating sites, which are in limited supply.

The viability of wind power projects is dependent on the wind patterns, which vary based on location and time. Our ability to execute future wind farm projects will depend on our ability to identify and obtain access to suitable parcels of land for development of wind farms. Our ability to obtain access to suitable parcels of land can be affected by a variety of factors, including, among others, location, weather pattern, the willingness of landowners to sell, lease or develop the land, the cost of acquiring or leasing the land, the availability and cost of financing and obtaining governmental permits and approvals for the development of wind farms. Some of those factors are beyond our control. We may be unable to identify and secure suitable plant locations or obtain the development rights in the land. Any failure to identify and obtain access to suitable parcels of land for development of any of our projects in a timely manner may materially and adversely affect our business, prospects, financial condition and results of operation.

31. We depend on a limited number of WEG suppliers and other suppliers

The purchase cost of WEGs represents approximately 70% of the overall cost of building a wind farm. There are a limited number of qualified WEG suppliers in India, and the price, supply and delivery lead times of WEGs largely depend on the market demand. In the past, worldwide demand for WEGs exceeded the supply, which led to delivery delays and price increases for WEGs and other necessary equipment. We are exposed to any changes in the market prices of WEGs when we negotiate new supply agreements, and the price trend of WEGs has a direct effect on our results of operations. If we are unable to manage our purchases of WEGs at prices acceptable to us or if the prices of WEGs increase significantly, profit margins of our wind power business may decrease and our results of operations would be materially and adversely affected. We cannot assure you that in the future we will be able to purchase a sufficient quantity of WEGs (and other necessary equipment) that meets our quality requirements at commercially acceptable terms, and in a timely manner. We also cannot assure you that our WEG suppliers will not delay delivery to us or prioritize delivery to other market participants, including our competitors. Even though we would expect our suppliers to compensate us for delays in delivery or other delays to perform their contractual obligations, we cannot assure you that such compensation would be adequate to cover the shortfall in revenue. Although we seek to expand and diversify our supplier base, our reliance on a few WEG suppliers and our existing limited relationships with other suppliers exposes us to certain risks, including the loss of any of these suppliers, the inability to find replacement suppliers at commercially acceptable terms, or an adverse change in the terms of our existing contractual agreements with our suppliers. The occurrence of any such events could delay our commercial operation, which in turn could materially and adversely affect our business, financial condition or results of operations.

32. Nearby objects may interfere with our wind farms

The operational performance of our wind farms depends on wind speeds and other climatic conditions at the relevant site. However, objects such as buildings, trees or other WEGs near our wind farms, especially in more built-up areas, may reduce our wind resources due to the disruption of wind flows, known as "wake effects." Although we exercise care when selecting our wind farm sites, we typically only acquire land underlying our WEG pylons and the nearby infrastructure. Development on nearby land would have a negative wake effect on our wind farms. Such developments may reduce the operational performance of our wind farms, which could have a material adverse effect on our business, financial condition or results of operations.

33. Electricity generation from solar energy systems depends heavily on suitable meteorological conditions.

If meteorological conditions are unexpectedly unfavourable, the electricity production from our solar energy systems may be substantially below our expectations and our ability to timely deploy new systems may be adversely impacted. The energy produced and revenue and cash receipts generated by a solar energy system depend on suitable solar and weather conditions, both of which are beyond our control. Furthermore, components of our systems, such as panels and systems, could be damaged during severe weather conditions like floods. Weather patterns could change, making it harder to predict the average annual amount of sunlight striking each location where we install. This could make our solar energy systems less economical overall. Any of these events or conditions could harm our business, financial condition and results of operations.

External Risk Factors

34. We have not prepared, and currently do not intend to prepare, our financial statements in accordance with the Indian Accounting Standards ("IND AS"). Our transition to IND AS reporting could have a material adverse effect on our reported results of operations or financial condition.

The ministry of company affairs in its circular dated 16-02-2015 has made it mandatory to apply the new Indian Accounting Standards based on IFRS for the preparation of financial statements for the periods starting 1st April 2016 for listed companies. Our financial condition, results of operations, cash flows or changes in shareholders' equity may appear materially different under IND AS than under current Indian GAAP or our adoption of converged Indian Accounting Standards may adversely affect our reported results of operations or financial condition. This may have a material adverse effect on the amount of income recognized during that period and in the corresponding (restated) period in the comparative Financial Year period which is FY 2015-16.

35. Political instability or changes in the Government could adversely affect economic conditions in India generally and our business in particular.

Our business, and the market price and liquidity of our Equity Shares, may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. Elimination or substantial change of policies or the introduction of policies that negatively affect the Company's business could cause its results of operations to suffer. Any significant change in India's economic policies could disrupt business and economic conditions in India generally and the Company's business in particular.

36. Financial instability in Indian financial markets could adversely affect our company's results of operations and financial condition.

In this globalized world, the Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, say in the United States of America, Europe, China or other emerging economies, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets. Indian financial markets have also experienced the contagion effect of the global financial turmoil. Any prolonged financial crisis may have an adverse impact on the Indian economy, thereby resulting in a material and adverse effect on our Company's business, operations, financial condition, profitability and price of its Shares. Stock exchanges in India have in the past experienced substantial fluctuations in the prices of listed securities.

37. 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. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall 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/ tax clearance certificate from the income tax authority. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

38. Taxes and other levies imposed by the Government of India or other State Governments, as well as other financial policies and regulations, may have a material adverse effect on our business, financial condition and results of operations.

Taxes and other levies imposed by the Central or State Governments in India that affect our industry include Service tax, Securities Transaction Tax(STT), income tax and other taxes, duties or surcharges introduced on a permanent or temporary basis from time to time. Imposition of any other taxes by the Central and the State Governments may adversely affect our results of operations.

39. Natural calamities could have a negative impact on the Indian economy and cause Our Company's business to suffer.

India has experienced natural calamities such as earthquakes, tsunami, and floods in recent years. The extent and severity of these natural disasters determine their impact on the Indian economy. Prolonged spells of abnormal rainfall or other natural calamities could have a negative impact on the Indian economy, which could adversely affect our business, prospects, financial condition and results of operation as well as the price of the Equity Shares.

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

Under current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months is not subject to capital gains tax in India if securities transaction tax (STT) is paid on the transaction. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Any gain realized on the sale of equity shares held for more than 12 months to an Indian resident, which are sold other than on a recognized stock exchange and on which no STT has been paid, will be subject to long term capital gains tax in India. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax. Any change in tax provisions may significantly impact your return on investments.

41. Our business is dependent on economic growth in India.

Our performance is dependent on the health of the overall Indian economy. There have been periods of slowdown in the economic growth of India. India economic growth is affected by various factors including domestic consumption and savings, balance of trade movements primarily resulting from export demand and movements in key imports, such as oil and oil products, and annual rainfall, which affect agricultural production. In the past, economic slowdowns have harmed the power generation sector. Any future slowdown in the Indian economy could harm our business, financial condition and results of operations. Factors that may adversely affect the Indian economy, and hence our results of operations, may include:

- Any increase in Indian interest rates or inflation;
- Any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India;
- Prevailing income conditions among Indian consumers and Indian corporations;
- Volatility in and actual or perceived trends in trading activity on, India's principal Stock Exchange(s);
- Changes in India's tax, trade, Financial Year or monetary policies;
- Political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries;
- Prevailing regional or global economic conditions, including in India's principal export markets; and
- Other significant regulatory or economic developments in or affecting India or the industries in which we operate.

Risk related to this Issue and our Equity Shares

42. Any future issue of Equity Shares may dilute your shareholding and sales of our Equity Shares by our Promoter or other major shareholders may adversely affect the trading price of the Equity Shares.

Any future equity issues by us, including in a primary offering, may lead to the dilution of investors' shareholdings in us. Any future equity issuances by us or sales of its Equity Shares by the Promoter may adversely affect the trading price of the Equity Shares. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Equity Shares.

43. After this Issue, the price of the Equity Shares may be highly volatile, or an active trading market for the Equity Shares may not develop.

The price of the Equity Shares on the Stock Exchanges may fluctuate as a result of the factors, including:

- Volatility in the Indian and global capital market;
- Company's results of operations and financial performance;
- Performance of Company's competitors;
- Adverse media reports on Company or pertaining to the Finance Industry;
- Changes in our estimates of performance or recommendations by financial analysts;
- Significant developments in India's economic and Financial Year policies; and
- Significant developments in India's environmental regulations.

Current valuations may not be sustainable in the future and may also not be reflective of future valuations for our industry and our Company. There has been no public market for the Equity Shares and the prices of the Equity Shares may fluctuate after this Issue. There can be no assurance that an active trading market for the Equity Shares will develop or be sustained after this Issue or that the price at which the Equity Shares are initially traded will correspond to the price at which the Equity Shares will trade in the market subsequent to this Issue.

44. You will not be able to sell immediately on an Indian stock exchange any of the Equity Shares you purchase in the Issue until the Issue receives appropriate trading approvals

The Equity Shares will be listed on the SME platform of the NSE. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and trading may commence. We cannot assure you that the Equity Shares will be credited to investors' Demat accounts, or that trading in the Equity Shares will commence, within the time periods specified above. Any delay in obtaining the approvals would restrict your ability to dispose of the Equity Shares. Any failure or delay in obtaining the approval would restrict your ability to dispose of the Equity Shares. In accordance with section 73 of the Companies Act, in the event that the permission of listing the Equity Shares is denied by the Stock Exchange, we are required to refund all monies collected to investors.

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

The Issue Price of our Equity Shares has been determined by fixed price method. This price is being based on numerous factors (For further information, please refer chapter titled ―"Basis for Issue Price" beginning on page 67 of this Prospectus) and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price include without limitation.

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

PROMINENT NOTES:

a. The Public Issue of 1,12,000 Equity Shares of face value of ₹10 each fully paid up for cash at a price of ₹320/- per Equity Share (including a premium of ₹310 per Equity Share) aggregating ₹358.40 Lakhs ("the Issue"). Issue of Equity Shares will constitute 30.87% of the fully diluted Post-Issue paid up capital of our Company. For more information, please refer to chapter titled "The Issue" on page 37 of this Prospectus.

b. The net worth of our Company as on December 31, 2015 is ₹204.22 Lakhs and issue size is ₹358.40 Lakhs.

c. The book value of each Equity Share was ₹302.10, ₹222.17, ₹158.83 and ₹64.34 as of December 31, 2015, March 31, 2015, March 31, 2014 and March 31, 2013 respectively as per the audited restated financial statements of our Company. For more information, please refer to section titled – "Financial Statements" beginning on page 151 of this Prospectus.

d. The average cost of acquisition of per Equity Shares by our Promoters, which has been calculated by taking the average amount paid by them to acquire our Equity Shares, is as follows:

Name of Promoter	Number of Shares	Average Price of each Share in ₹
T.K.Chandiran	1,56,817	232.67
C.Selvi	15,928	125.37
Total	1,72,745	222.78

e. For details of Related Party Transactions entered into by our Company, please refer to Annexure 30 of restated financial statement under the section titled "Financial Information" on Page 151 of the Prospectus.

f. Investors may contact the Lead Manager or the Compliance Officer for any clarification / complaint or information relating to the Issue, which shall be made available by the Lead Manager and our Company to the investors at large. No selective or additional information will be available for a section of investors in any manner whatsoever.

g. For contact details of the Lead Manager and the Compliance Officer, please refer to the chapter titled "General Information" beginning on page 38 of this Prospectus.

h. Investors are advised to refer to chapter titled "Basis for Issue Price" on page 67 of this Prospectus.

i. Trading and Allotment in Equity Shares for all investors shall be in dematerialized form only.

j. There are no financing arrangements whereby the Promoter Group, the Directors of our Company who are the Promoters of our Company, the independent Directors of our Company and their relatives have financed the purchase by any other person of securities of our Company during the period of six months immediately preceding the date of filing of this Prospectus.

k. Except as stated in the chapter titled "Our Promoter Group / Group Companies / Entities" beginning on page 143 and Annexure 30 of restated financial statement under the section titled "Financial Information" on Page 151 of the Prospectus., our Group Entities have no business interest or other interest in our Company.

l. Investors may note that in case of oversubscription 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 223 of this Prospectus

m. The name of our company was changed from "Nachas Wind Energy Pvt Ltd" to "KKV Agro Powers Private Ltd" on May 12, 2015 for using the brand "KKV" a better visibility. There was no pursuant change in the objects clause of the Memorandum of Association of our company.

SECTION III INTRODUCTION

SUMMARY

This is only the summary and does not contain all information that you shall consider before investing in Equity Shares. You should read the entire Prospectus, including the information on "Risk Factors" and related notes on page 14 of this Prospectus before deciding to invest in Equity Shares.

INDUSTRY OVERVIEW

OVERVIEW OF POWER GENERATION CAPACITY IN INDIA

The overall installed power generation capacity in the country has increased from 159,398 MW as on March 31, 2010 to 302,088 MW as on March 31, 2016 (CAGR of 11%), aided by large investments during the 11th plan period (2007-2012) and ongoing 12th plan period (2012-2017), especially from the private sector. This is subsequent to the enactment of Electricity Act, 2003 which encouraged large scale investments in the power sector. As a result, the share of private power generating companies in the overall installed power generation capacity has increased from 13% as on March 31, 2007 to 41% as on March 31, 2016 and remains the highest in the ownership mix of installed generation capacity.

RENEWABLE ENERGY SECTOR

The installed renewable energy based power generation capacity in India has increased from 16801 MW as on March 31, 2010 to 42849 MW as on March 31, 2016, led by large capacity additions in the wind based installations whose share in the overall renewable energy based capacity remains the highest at 62.7% as on March 31, 2016. This however has declined from about 67.9% seen at the end of FY2013 on account of increase in the share of solar based installations over the past 3-4 years subsequent to the launch of the National Solar Mission by Government of India. The share of other renewable sources such as biomass and small hydro in the overall renewable energy based capacity has come down marginally to 11.3% and 10.0% respectively as on March, 2016 from 12.8% and 12.9% respectively at the end of FY2013.

As on March 2016, installed wind energy based capacity stood at 26,867 MW which accounted for 8.9% of the overall installed capacity in the country, while solar capacity stood at 6763 MW accounting for 2.2% of the overall installed power generation capacity in the country. The wind power sector has witnessed record capacity addition of 3415 MW during FY2016, increasing by 48% over the capacity addition of 2308 MW achieved during FY2015 and also exceeding the target set by MNRE for FY2016 at 2400 MW. This growth in the wind sector was led both by the IPP segment with its focus on feed-in tariff based PPAs and by the non-IPP segment with the re-introduction of the accelerated depreciation benefit by GoI in the Union Budget presented in July 2014. A major portion of the wind energy capacity addition during FY2016 was driven by new projects in the state of Madhya Pradesh, given the attractive tariff (which was highest among all the major states with large wind energy potential at ₹5.92 per unit) being offered in the state in the period leading up to March 31, 2016. Prior to the withdrawal of the AD benefit in March 2012, wind energy capacity additions were primarily driven by corporate customers and financial investors looking to avail tax depreciation benefits. However, in the subsequent years, the demand from this segment has significantly reduced and the capacity additions have been mainly driven by the IPP segment, supported by policy and regulatory focus on renewable energy through measures such as National Action Plan on Climate Change (NAPCC), Renewable Purchase Obligation (RPO) requirement, Renewable Energy Certificate (REC) framework and upward revision in feed-in wind tariffs for wind energy across the key states having wind energy potential.

In respect of solar energy segment, share of solar based capacity within the renewable energy segment has improved considerably from almost negligible levels as on March 2010 to 15.8% as on March 2016. The growth has been driven by favorable policy support both by the GoI as well as improving regulatory framework by Central Electricity Regulatory Commission (CERC) and State Electricity Regulatory Commissions (SERCs). In addition, reduction in capital costs for solar power projects resulting in improved cost competitiveness has also played a role. Some states like Gujarat, Rajasthan, Andhra Pradesh, Madhya Pradesh, Chhattisgarh, Haryana, Jharkhand, Maharashtra, Odisha, Tamil Nadu, Telangana and Karnataka have also come out with favorable policies to support the sector. The solar power capacity addition stood at 3019 MW in FY2016, reporting a significant jump of 171% as against the capacity addition of 1112 MW in FY2015, driven by capacity additions in the states of Andhra Pradesh, Madhya Pradesh, Tamil Nadu and Telangana. GoI has also now

significantly revised its solar based capacity addition target under Jawaharlal Nehru National Solar Mission1 (JNNSM) from 22 GW to 100 GW (which includes 40 GW of off-grid / roof-top based installations and 60 GW of grid connected utility scale solar projects). As on March 7, 2016, Rajasthan accounted for 21.9% of overall solar energy based capacity (5775 MW) in the country followed by Gujarat with 17.7% share and Madhya Pradesh with 11.7% share.

RENEWABLE ENERGY SECTOR IN TAMIL NADU

As on March 31, 2016, the total installed power generation capacity in Tamil Nadu stood at 25393.9 MW. This comprised of 50% thermal based capacity, 9% hydro, 4% nuclear and 37% renewable energy based capacity, signifying the importance of renewable energy capacity in the state. Wind power projects alone account for ~80% (7.6 GW as on March 31, 2015) of the total renewable capacity of 9511 MW in the state, while solar power capacity in the state stood at 636 MW as on March 7, 2016. Installed wind power capacity in Tamil Nadu accounts for 28% of the all India wind power capacity. This is due to presence of high wind potential sites in the state coupled with the benefits from the investments, both for financial investors as well as captive consumers in the past. However, there has been a significant slowdown in wind based capacity addition in the state over the past 4 year period on account of [a] relatively lower preferential tariff for supply to state discom for wind power projects in Tamil Nadu as compared to other high wind potential states such as Andhra Pradesh, Gujarat, Karnataka, Maharashtra, Rajasthan and Madhya Pradesh [b] grid evacuation challenges faced by wind power projects in the states resulting in backing down of wind farms and [c] weak financial profile of the state distribution utility i.e. TANGEDCO (Tamil Nadu Generation and Distribution Corporation Limited) resulting in long delays in realizing payments for energy sales by the wind power projects in the past along with discontinuation of GBI and AD benefits for a brief period. Following are the key highlights of the wind and solar power policies in the state.

INVESTMENT PLANS BY IPP SEGMENT IN THE RENEWABLE ENERGY SECTOR

Wind

Operational wind based capacity in the IPP segment for major players stood at ~8000 MW as on March 31, 2016, constituting 30% of the overall wind based capacity, increasing from 26% as on March 31, 2015. Further, the IPPs have laid out large investment plans for the next three-four period, as seen from the capacity commitment provided by various IPPs (Chart 19) during the Renewable Energy Global Investors Meet & Expo (RE-Invest 2015) organized by the Ministry of New & Renewable Energy (MNRE), Government of India in February, 2015. IPPs have committed cumulative wind power capacity addition of 45000 MW over the five-year period from 2015 to 2019.

Solar

Private companies, both domestic and foreign, have put in place significant investment plans in the domestic solar sector in the coming future driven by the ambitious plans of the Central Government towards expanding the solar installations in the country as part of JNNSM as well as various State Government initiatives. As part of the government-sponsored renewable energy investment summit, RE-INVEST, which concluded on February 17, 2015, about 140 companies committed towards setup of 217.3 GW of renewable energy power, which includes 166.2 GW of solar power during the period 2015-2019. While these are non-binding commitments, it does provide an indication on the extent of interest in the solar power sector in the country.

(Source: ICRA Limited)

BUSINESS OVERVIEW

Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section "*Forward-Looking Statements*" for a discussion of the risks and uncertainties related to those statements and also the section "*Risk Factors*" for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

All financial information included herein is based on our restated financial information included in the chapter titled "*Financial Statements*" starting on page151 of this Prospectus.

Our Company, promoted by Mr.T.K.Chandiran and Mrs.C.Selvi, is engaged in the business of power generation from renewable energy sources, wind and solar. Our Company was incorporated as "Nachas Wind Energy Private Limited" on June 05, 2012 as a private limited company under the Companies Act, 1956, with the Registrar of Companies, Tamil Nadu, Coimbatore. The name of our company was changed to "KKV Agro Powers Private Limited" vide a fresh certificate of incorporation pursuant to change of name dated May 12, 2015 issued by Registrar of Companies, Tamil Nadu, Coimbatore. Subsequently our Company was converted into public limited Company and the name of our company was changed to "KKV Agro Powers Limited", pursuant to fresh certificate of incorporation consequent upon change of name on conversion to public limited company dated May 18, 2015, issued by Registrar of Companies, Tamil Nadu, Coimbatore.

Our Company has started its operations by acquiring the windmills of 1.5MW located at Udumalpet from M/s The KTM Jewellery Limited on June 7, 2012 and 1.25MW located at Tirunelvelli from Mr T.K.Chandiran, one of the promoters of our Company, on June 7, 2012. Later, on December 15, 2014, our Company has acquired the wind mills of 1.5MW located at Palladam,Tirupur from M/s. The KTM Jewellery Limited. Further the Company on 1st April 2015, has acquired the windmills of 1.25MW located at Tirunelvelli and 0.5MW located at Palladam,Tirupur from M/s. The KTM Jewellery Limited totaling to 6MW of windmill operations. Also our Company has developed a solar project of 1 MW at Tirupur. All our projects are located in the state of Tamil Nadu.

As on December 31, 2015, our total portfolio of operating projects included 7 MW of aggregate installed capacity, which comprised of 6.0 MW of wind energy projects and 1.0 MW of solar project. Our Company is currently in the process of acquiring additional capacity of 0.8 MW of wind energy generators in Tamil Nadu as mentioned in the section 'Objects of the issue'.

Our Company operates under "Group Captive Power Scheme" notified under the Electricity Act, 2003 by Ministry of Power, Government of India. As per the scheme, 51% of the power produced by a power generating company is consumed by its captive users while holding at least 26% of the paid up capital of the producer. Also, such users shall consume the electricity in proportion to their shareholding.

The current scope of operations of our Company includes:

A) Renewable Energy Power Generation
B) Renewable Energy Certificates Trading

We generate power for captive consumption which is being sold to The KTM Jewellery Limited, SKM Animal Feeds and Foods (India) Private Limited and Space Textiles Private Limited.

Also our Company trades in Renewable Energy Certificates earned by it, pursuant to the scheme framed by the Central Electricity Regulatory Commission. Our Company has sold Renewable Energy Certificates worth ₹3.6 Lakhs for FY15 and ₹24.61 Lakhs for the nine months ended December 31, 2015.

We generated revenues of ₹190.03 Lakhs, ₹261.93 Lakhs and ₹357.75 Lakhs in FY2013, FY2014 and FY2015 respectively with respective profits of ₹53.35 Lakhs, ₹94.46 Lakhs and ₹67.21 Lakhs. Our Company has sold 5.4 MU, 4.8 MU and 6.2 MU in FY2013, FY2014 and FY2015 respectively.

OUR STRENGTHS

We believe the following are our competitive strengths:

a) We derive benefit from the fact that our existing operational facilities are located in Tamil Nadu, which has favourable geographical configuration for high wind energy generation

As on March, 2016, 28% of the country's total wind assets of 26,867 MW are located in Tamil Nadu. Tamil Nadu has some of the most potent wind passes in the country for high generation of wind power like Coimbatore, Dindigul, Tirunelveli, Tuticorin, Kanyakumari, Radhupuram, Muppandal, Rameshwaram etc. All of our windmill projects are located in the state of Tamil Nadu.

b) We have a source of assured revenues.

Our company has assured source of revenue as we have entered into power purchase agreement with SKM Animal Feeds and Foods (India) Private Ltd, Space Textiles Private Ltd and The KTM Jewellery Ltd to sell power generated from our power generating units at an agreed rate.

All our power generating units have been tied up with power purchase agreements as stated above for the sale of 100% power generated from the plants for term of three years from the date of said agreements and may be renewed for such additional period on mutual understanding.

c) We operate in the rapidly growing renewable energy sector, which benefits from increasing demand for electricity and regulatory support

We believe the renewable energy sector in India has strong development potential in light of the prevailing demand-supply gap and government policies and related legislation promoting the use of renewable energy resources, growing awareness of the importance of reducing dependency on fossil fuels for environmental and energy security reasons.

Electricity consumption in India is increasing rapidly, largely due to India's rapid population and economic growth. According to the report issued by ICRA the wind based capacity addition 3415 MW during FY2016, increasing by 48% over the capacity addition of 2308 MW achieved during FY2015. This growth in the wind sector was led both by the IPP segment with its focus on feed-in tariff based PPAs and by the non-IPP segment with the re-introduction of the accelerated depreciation benefit by GoI in the Union Budget presented in July 2014.

In respect of solar energy segment, share of solar based capacity within the renewable energy segment has improved considerably from almost negligible levels as on March 2010 to 15.8% as on March 2016. The growth has been driven by favorable policy support both by the GoI as well as improving regulatory framework by Central Electricity Regulatory Commission (CERC) and State Electricity Regulatory Commissions (SERCs).

To help meet the growing demand for electricity and cope with continuing supply deficits, the GoI has put in place policies to encourage private sector investment in the creation of additional power generation capacity and, in particular, the development of the renewable energy sector, such as higher tariffs and tax benefits. We believe that the confluence of factors driving the growth in demand for electricity in India as well as the GoI's policies aimed at incentivizing the development of the renewable energy sector will provide significant growth opportunities in the Indian wind energy and biomass (including co-generation) power sectors.

d) We have a flexible business model that is scalable and sustainable and that enables us to deliver predictable growth from a diversified and balanced portfolio of projects

Our business model is based on the ability to expand our business through setting up as well as acquisition of a portfolio of renewable energy power plants. We believe our business model is adaptable to changing environmental and financial conditions, which enables us to deploy our capital efficiently and effectively. As part of this approach, we believe the following are key factors in the expansion of our generation capacity:

Scalability: Our development plans focus on the expansion of our generation capacity and development portfolio to enhance shareholder value by incremental additions to our base of operating projects while capitalizing on our strengths and experience from our existing businesses for greater profitability. In the past we have acquired our power generation equipment to grow inorganically and we may continue to do so in the future.

Sustainability: We believe that the demand for electricity generated by independent power producers in India will be sustainable for the forseeable future. While electricity demand will continue to increase, the supply of electricity from conventional energy sources will not be able to meet expected demand, leading to continuing power deficits in the foreseeable future. Due to the availability of renewable energy resources in India and the GoI's explicit support for the renewable energy sector, we believe that renewable energy will play an increasingly significant role in the overall power generation sector and demand for electricity from renewable energy sources will continue to grow.

Predictability: We are able to estimate our costs to maintain our projects with some degree of certainty due to their relatively small size as compared generally to conventional energy plants.

OUR STRATEGIES

Our objectives are to enhance our position as a leading independent renewable energy producer in India and executing the following strategies.

a) Enhancement of capacities

Currently, we own windmills to generate 6 MW power and 1 MW of Solar power. Our vision has always been to be a large player in this field and we have been raising our capacities every year. Our current project to set up a 0.80 MW windfarm in Tamil Nadu is an indication of our strategy to expand our business.

Our Company also intends to increase its generating capacity by acquiring renewable energy assets in the market, including the assets owned by third parties which are not focused on power generation as a principal business, improve their performance through better maintenance and increasing availability of Wind Electricity Generators thereby increasing our market share. Our Company also intends to locate the new plants close to either demand centres, in order to balance the need to generate at the lowest cost with the ability to bring electricity to market effectively.

b) Improve profitability by enhancing efficiency

We intend to continue to improve the efficiency of our existing wind energy plants and implement best practices throughout our business in order to drive profitability growth. In particular, we plan to focus on achieving the following:

- Continue to focus on low cost power generation, optimization of capacity utilization and technology upgradation;
- To focus on system upgradation, loss reduction, theft control, consumer service orientation, quality power supply

SUMMARY OF FINANCIAL INFORMATION

The following tables set forth the summary of our restated financial information for and as of Financial Years 2013, 2014, 2015 and nine-month period ended December 31, 2015. The summary financial statements presented below should be read in conjunction with our Restated Financial Statements, the notes and annexure thereto and the section titled "Management Discussion and Analysis of Financial Condition and Results of Operations" on page 184 of this Prospectus.

RESTATED SUMMARY STATEMENT OF ASSETS AND LIABILITIES

(In ₹ Lakhs)

PARTICULARS	As on 31-12-2015	As on 31-03-2015	As on 31-03-2014	As on 31-03-2013
EQUITY AND LIABILITIES				
(1) Shareholders' funds				
(a) Share Capital	96.76	96.76	96.76	6.76
(b) Reserves and Surplus	197.46	143.43	100.61	36.74
(2) Non-Current Liabilities				
(a) Long Term Borrowings	258.05	388.88	469.79	-
(b) Deferred Tax Liabilities (Net)	92.97	58.31	37.16	6.57
(c) Long Term Provisions	0.65	0.41	0.26	0.08
(3) Current Liabilities				
(a) Short Term Borrowings	480.22	480.32	-	-
(b) Other Current Liabilities	198.39	129.53	269.94	25.78
(c) Short Term Provisions	15.42	4.32	11.95	6.54
Total	**1,339.92**	**1,301.97**	**986.47**	**82.47**
II. ASSETS				
(1) Non-Current Assets				
(a) Fixed Assets				
(i) Tangible Assets	1,202.61	905.67	753.00	27.61
(b) Long Term Loans and Advances	65.57	75.69	43.83	0.05
(2) Current Assets				
(a) Trade Receivables	11.25	30.59	10.68	33.18
(b) Cash and Cash Equivalents	29.76	270.18	162.96	18.20
(c) Short Term Loans and Advances	6.77	10.09	16.00	-
(d) Other Current Assets	23.96	9.75	-	3.43
Total	**1,339.92**	**1,301.97**	**986.47**	**82.47**

RESTATED SUMMARY STATEMENT OF PROFIT AND LOSS ACCOUNT

(In ₹ Lakhs)

PARTICULARS	Nine Months ended 31-12-2015	2014-15	2013-14	From June 5, 2012 to March 31,2013
INCOME				
Revenue from Operations (Gross)	415.64	357.57	261.93	190.03
Other Income	0.03	0.18	-	-
Total Revenue	**415.67**	**357.75**	**261.93**	**190.03**
EXPENSES				
Power generation expenses	71.47	57.79	33.19	30.60
Employee Benefits Expense	22.63	20.37	17.28	3.26
Finance Costs	41.93	71.43	8.41	-
Depreciation & Amortisation Expense	55.98	52.89	2.10	1.37
Other Expenses	133.03	88.06	106.49	101.45
Total Expenses	**325.04**	**290.54**	**167.48**	**136.67**
Profit Before Tax	**90.63**	**67.21**	**94.46**	**53.35**
Less : Tax expense				
Current Tax	19.00	13.43	18.44	10.04
Deferred Tax	34.66	21.15	30.58	6.57
MAT Credit	(19.00)	(13.43)	(18.44)	-
For earlier years	(0.51)	-	-	-
Profit for the year	**56.47**	**46.06**	**63.87**	**36.74**
Earnings per Equity Share (Face Value of ₹ 10/-) in Rupees				
- Basic & Diluted	**79.93**	**63.34**	**94.49**	**54.34**

RESTATED SUMMARY STATEMENT OF CASH FLOW STATEMENT

(In ₹ Lakhs)

PARTICULARS	Nine Months ended 31-12-2015		2014-15		2013-14		From June 5, 2012 to March 31,2013	
Cash flow from operating activities								
Earnings Available with Equity Shares		54.03		42.82		63.87		36.73
Adjustments for :								
Depreciation	55.98		52.89		2.10		1.37	
Interest received	(0.03)		(0.18)		-		-	
Finance Costs	41.93	97.88	71.43	124.14	8.41	10.51	-	1.37
Operating Profit before working capital changes		**151.91**		**166.96**		**74.38**		**38.10**
Adjustments for :-								
Changes in Trade Receivables	19.34		(19.91)		22.50		(33.18)	
Changes in Long Term Loans and Advances	10.12		(31.85)		(43.78)		(0.05)	
Changes in Short Term Loans and Advances	3.32		5.91		(16.00)		-	
Changes in Other Current Liabilities	68.84		(140.40)		244.16		25.79	
Changes in Other Current Assets	(14.22)		(9.75)		3.44		(3.43)	
Changes in Non-Current Liabilities	34.66		21.15		30.59		6.57	
Changes in Long Term Provisions	0.24		0.15		0.17		0.08	
Changes in Short Term Provisions	11.10	133.41	(7.63)	(182.34)	5.41	246.49	6.54	2.32
Net cash from operating activities (A)		**285.32**		**(15.38)**		**320.87**		**40.42**
Cash flow from investing activities								
Purchase of Fixed Assets	(352.91)		(205.56)		(727.49)	-	(28.98)	
Interest received	0.03		0.18		-		-	
Net Cash (used in) / from investing activities (B)		**(352.88)**		**(205.38)**		**(727.49)**		**(28.98)**
Cash flow from financing activities								
Repayment of loans	(130.82)		(80.91)		(130.21)		-	
Proceeds from Long term Borrowings	-		-		600.00		-	
Proceeds from Short Term Borrowings	(0.10)		480.32		-		-	
Proceeds from Issue of Preference Shares	-		-		90.00		-	
Proceeds from Issue of equity share capital	-		-		-		6.76	
Finance Costs paid	(41.93)		(71.43)		(8.41)		-	
Net Cash used in financing activities (C)		**(172.85)**		**327.99**		**551.38**		**6.76**
Net increase / (decrease) in cash and cash equivalents (A+B+C)		**(240.42)**		**107.22**		**144.76**		**18.21**
Cash and cash equivalents (Opening Balance)		270.18		162.96		18.20		-
Less : Bank Balances not considered as Cash and Cash equivalents as per Accounting Standard AS 3		-		-		-		-
Cash and cash equivalents(Closing Balance)		**29.76**		**270.18**		**162.96**		**18.21**

THE ISSUE

Issue Details	Particulars
Equity Shares Offered in the present Issue	Issue of 1,12,000 Equity Shares of ₹10 each at a price of ₹320 per Equity Share aggregating ₹358.40 Lakhs.
Of Which Reserved for Market Makers	5,600 Equity Shares of face value of ₹10 each fully paid of the Company for cash at price of ₹320 per Equity Share aggregating ₹17.92 Lakhs
Net issue to the Public	1,06,400 Equity Shares of face value of ₹10 each fully paid of the company for cash at price of ₹320 per Equity Share aggregating ₹340.48 Lakhs
Of which	
Non Retail Portion (#)	53,200 Equity Shares of ₹10 each for cash at a price of ₹320 per equity share aggregating to ₹170.24 lakhs*
Retail Portion (#)	53,200 Equity Shares of ₹10 each for cash at a price of ₹320 per equity share aggregating to ₹170.24 lakhs*
Equity Shares outstanding prior to the Issue	2,50,800 Equity Shares of face value of ₹10 Each.
Equity Shares outstanding after the Issue	3,62,800 Equity Shares of face value of ₹10 Each.
Use of Proceeds	Please refer section titled "Objects of the Issue" on Page 60 of this Prospectus for information on use of the issue proceeds

This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. For further details, please refer to "Issue Structure" on Page 223 of this Prospectus.

Note:

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

a) Minimum fifty percent to retail individual investor; and

b) Remaining to:
i. Individual applicants other than retail individual investors; and
ii. Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;

c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category. If the retails individual investor category is entitled to more than fifty per cent on proportionate basis, accordingly the retails individual investors shall be allocated that higher percentage.

GENERAL INFORMATION

Our Company was incorporated as "Nachas Wind Energy Private Limited" on June 05, 2012 as a private limited company under the Companies Act, 1956, with the Registrar of Companies, Tamil Nadu, Coimbatore. The name of our company was changed to "KKV Agro Powers Private Limited" vide a fresh certificate of incorporation pursuant to change of name dated May 12, 2015 issued by Registrar of Companies, Tamil Nadu, Coimbatore. Subsequently our Company was converted into public limited Company and the name of our company was changed to "KKV Agro Powers Limited", pursuant to fresh certificate of incorporation consequent upon change of name on conversion to public limited company dated May 18, 2015, issued by Registrar of Companies, Tamil Nadu, Coimbatore. The corporate identity number of our company is U40108TZ2012PLC018332.

For further details in relation to corporate history of our company, please see the chapter titled "Our History and Corporate Structure" beginning on page 122 of this Prospectus.

REGISTERED OFFICE OF OUR COMPANY:

Vivagaa Building,
#637 Oppanakara Street,
Coimbatore,
Tamil Nadu, India – 641 001
Tel: +91 422 - 2303881
Fax: +91 422 - 2303880
Website: www.kkvagropowers.com
E-mail: smeipo@kkvagropowers.com
Corporate Identification Number: U40108TZ2012PLC018332

ADDRESS OF REGISTRAR OF COMPANIES, COIMBATORE

Registrar of Companies
Stock Exchange Building, II Floor,
683, Trichy Road, Singanallur,
Coimbatore – 641 005
Tamilnadu, India
Phone: +91 422 – 2318170, 2318089
Fax: +91 422 – 2318089

DESIGNATED STOCK EXCHANGE

EMERGE PLATFORM OF NSE
NATIONAL STOCK EXCHANGE OF INDIA LIMITED
Exchange Plaza, Plot no. C/1, G Block,
Bandra-Kurla Complex,
Bandra (E), Mumbai - 400051

BOARD OF DIRECTORS OF OUR COMPANY

Our Board of Directors comprise of the following members as on the date of this Prospectus:

Sr. No.	Name of Director	Age (years)	Director's Identification Number (DIN)	Designation	Address
1	T.K.Chandiran	62	00031091	Managing Director	No. 11 Kalidas Road, Ram Nagar, Coimbatore, 641009, Tamil Nadu, India
2	C.Selvi	54	00032962	Whole Time Director	No. 11 Kalidas Road, Ram Nagar, Coimbatore, 641009, Tamil Nadu, India
3	A.C.Vineeth Kumar	21	06756745	Director	No. 11 Kalidas Road, Ram Nagar, Coimbatore, 641009, Tamil Nadu, India
4	A.Velayutham	71	07173627	Independent Director (Non Executive)	54A/6, Water Tank South Street, C Colony, Perumalpuram, Tirunelveli, 627007, Tamil Nadu, India
5	T.Gnanasekar	44	00904018	Independent Director (Non Executive)	Sai Krupa Site, 36 & 37, Sri Kumaran Nagar, Marudhamalai, Adivaram, Coimbatore – 641 046 Tamil Nadu
6	V.Chandrasekaran	61	07276704	Independent Director (Non Executive)	Plot No.2, Veerabatrapillai Compound Villapuram, Madurai South, Avanivapuram, Madurai, 625012, Tamil Nadu, India

For further details of our Managing Director and other Directors, please refer to section titled "Our Management" on Page 127 of this Prospectus.

COMPANY SECRETARY & COMPLIANCE OFFICER

Mrs. C.Renuka
Vivagaa Building,
#637, Oppanakara Street,
Coimbatore,
Tamil Nadu, India – 641 001.
Tel: +91 - 422 - 2303881
Fax: +91- 422 - 2303880
Email:smeipo@kkvagropowers.com
Website: www.kkvagropowers.com

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

STATUTORY AUDITORS

Haribhakti & Co. LLP
Shree Shanmugappriya, 2nd Floor,
454, Ponnaiyan Street, Crosscut Road,
Gandhipuram, Coimbatore - 641012
E-mail: sidarth.k@dhc.co.in
Tel: +91 - 422-2237793/2238793
Fax: +91- 422 - 2233793
Contact Person: G N Ramaswami
Firm Registration No: 103523W
Membership No. 202363

LEAD MANAGER

Karvy Investor Services Limited
46, Avenue 4, Street No.1, Karvy House,
Banjara Hills,
Hyderabad-500 034,
Telangana, India.
Ph.: +91 40 2342 8774/2331 2454
Fax: +91 40 2337 4714
Email: cmg@karvy.com
Investor Grievance email id: igmbd@karvy.com
Website: www.karvyinvestmentbanking.com
Contact Person: Arun Golla/ Avinash Palivela
SEBI Registration No: INM000008365

LEGAL ADVISORS TO THE ISSUE

R. S. Mathavan B.A, B.L (Advocate)
1639, Ground Floor,
Classic Garden Apartments,
Trichy Road,
Coimbatore-641018.
Ph: +91-9842221623
Fax: +91-422-2305225
Email: raghavendramathavan@yahoo.com

REGISTRAR TO THE ISSUE

S.K.D.C. Consultants Limited,
Kanapathy Towers, 3rd Floor,
1391/A-1, Sathy Road,
Ganapathy, Coimbatore – 641006.
Ph: +91 422 6549995/2539835/36
Fax : + 91 422 2539837
Email: info@skdc-consultants.com
Website: www.skdc.consultants.com
Contact Person: Mr. K.Jayakumar
SEBI Registration No: INR000000775

BANKERS TO THE COMPANY

Indian Bank
P.N. Palayam Branch, 1134, Avinashi Road
Coimbatore - 641037.
Ph.: +91 422 2247787
Fax: +91 422 2246211
Email: pnpalayam@indianbank.co.in
Contact Person: Mr. G.S.Gopu Kumar

BANKER TO THE ISSUE

HDFC Bank Limited
HDFC Bank Limited, FIG – OPS Department, - Lodha,
I Think Techno Campus, O-3, Level, Next to Kanjurmarg Railway Station,
Kanjurmarg (East), Mumbai – 400042.
Ph.: +91 22 30752928
Fax: +91 22 25799801
Email: deepak.rane@hdfcbank.com
Website: www.hdfcbank.com
Contact Person: Mr. Deepak Rane.

SELF CERTIFIED SYNDICATE BANKS

The list of banks that have been notified by SEBI to act as SCSB for the Applications Supported by Blocked Amount ("ASBA") Process is provided on http://www.sebi.gov.in/pmd/scsb.pdf. For details on designated branches of SCSBs collecting the ASBA Application Form, please refer to the above-mentioned SEBI link.

BROKER CENTRES/ DESIGNATED CDP LOCATIONS/ DESIGNATED RTA LOCATIONS

In accordance with SEBI Circular No. CIR/CFD/14/2012 dated October 4, 2012 and CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, Applicants can submit Application Forms with the Registered Brokers at the Broker Centres, CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations, respective lists of which, including details such as address and telephone number, are available at the websites of the Stock Exchange at www.nseindia.com. The list of branches of the SCSBs at the Broker Centres, named by the respective SCSBs to receive deposits of the Application Forms from the Registered Brokers will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

STATEMENT OF INTER-SE ALLOCATION OF RESPONSIBILITIES

Since, Karvy Investor Services Limited is the sole Lead Manager to this Issue, all the issue related Activities will be managed by them.

CREDIT RATING

As the Issue is of Equity shares, credit rating is not required.

TRUSTEES

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

IPO GRADING

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

MONITORING AGENCY

As per, Regulation 16(1) of the SEBI (ICDR) Regulations, 2009 the requirement of Monitoring Agency is not mandatory if the Issue size is below ₹500.00 Crores. As the net proceeds of the Issue will be less than ₹500 crores, it is not required to appoint any monitoring agency for this Issue.

APPRAISING ENTITY

None of the objects of the issue has been apprised by any entity.

EXPERT OPINION

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

Our Company has received written consent from the Auditor, M/s. Haribhakti & Co.LLP, Chartered Accountants, to include its name as an expert under Section 26 of the Companies Act, 2013 in this Prospectus in relation to the report dated April 05, 2016 on the restated audited financial statements of our Company and the statement of tax benefits dated May 25, 2016 included in this Prospectus and such consent has not been withdrawn up to the time of delivery of this Prospectus.

ISSUE PROGRAMME

ISSUE OPENS ON	June 30, 2016 (Thursday)
ISSUE CLOSES ON	July 07, 2016 (Thursday)

UNDERWRITING AGREEMENT

This Issue is 100% Underwritten. The Underwriting agreement is dated June 22, 2016. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein. The Underwriters have indicated their intention to underwrite the following number of specified securities being offered through this Issue:

Name and Address of the Underwriters	Number of Equity Shares Underwritten	Amount Underwritten (Rupees In Lakhs)
Karvy Investor Services Limited 46, Avenue 4, Street No.1, Karvy House, Banjara Hills, Hyderabad-500 034, Telangana, India. Ph.: +91 40 2342 8774/2331 2454 Fax: +91 40 2337 4714 Email:cmg@karvy.com Investor Grievance email id: igmbd@karvy.com Website: www.karvyinvestmentbanking.com Contact Person: Arun Golla/ Avinash Palivela SEBI Registration No: INM000008365	1,12,000	358.40

As per Regulation 106 P (2) of SEBI (ICDR) Regulations, 2009, the Lead Manager has to underwrite to a minimum extent of 15 % of the Issue out of its own account.

In the opinion of our Board of Directors (based on a certificate given by the Underwriter(s)), the resources of the above mentioned Underwriter(s) is sufficient to enable them to discharge its underwriting obligations in full. The above-mentioned Underwriter(s) are registered with SEBI and eligible to underwrite as per applicable regulations.

DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS ISSUE

Choice Equity Broking Private Limited ("CEBPL")

.Name	Choice Equity Broking Private Limited
Address	Choice House, Shree Shakambhari Corporate Park.Plot No.156-158, Chakravarti Ashok Society, J.B.Nagar, Andheri (E), Mumbai – 400099.
Telephone No.	+91 22-67079810/811
Fax No.	+91 22-67079898
E-mail	sme@choiceindia.com
Contact Person	Mr. Mahaveer Toshniwal
SEBI Registration No.	INB231377335
NSE Market Maker Code No.	13773

CEBPL, registered with SME segment of NSE will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI (ICDR) Regulations.

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

Following is a summary of the key details pertaining to the market making arrangement:

1. The Market Maker shall be required to provide a 2-way quote for 75% of the trading hours in a day. The same shall be monitored by the stock exchange. Further, the Market Maker shall inform the exchange in advance for each and every black out period during which, quotes are not offered by the Market Maker.

2. The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of the NSE EMERGE Platform and SEBI from time to time.

3. The minimum depth of the quote shall be ₹1,00,000/-. However, the investors with holdings of value less than ₹1,00,000/- shall be allowed to offer their holding to the Market Maker in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.

4. The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the NSE EMERGE Platform (in this case currently the minimum trading lot size is 400 equity shares; however the same may be changed by the NSE EMERGE Platform of NSE from time to time).

5. After a period of three (3) months from the market making period, the market maker would be exempted to provide quote if the Shares of market maker in our Company reaches to 25% of Issue Size (Including the 5,600 Equity Shares out to be allotted under this issue)

6. There shall be no exemption/threshold on downside. However, in the event the market maker exhausts his inventory through market making process, the concerned stock exchange may intimate the same to SEBI after due verification.

7. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.

8. The Market Maker shall start providing quotes from the day of the listing / the day when designated as the Market Maker for the respective scrip and shall be subject to the guidelines laid down for market making by the exchange.

9. The Marker Maker may also be present in the opening call auction, but there is no obligation on him to do so. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction. The Price Band and Spreads will be applicable as per SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, which has laid down that for issue size up to ₹250 crores, the applicable price bands for the first day shall be:

10.1 In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.

10.2 In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the issue price.

10.3 Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The following spread will be applicable on the NSE EMERGE Platform.

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

10.4 There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.

10.5 The Market Maker may be allowed to withdraw temporarily/fully from the Market under special circumstances – for instance due to system problems, any other problems. All controllable reasons will require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.

10.6 The Market Maker shall not buy the shares from the promoters or persons belonging to promoter group of KKV Agro Powers Limited or any person who has acquired shares from such promoter or person belonging to promoter group, during the compulsory market making period.

11. The promoter's holding of KKV Agro Powers Limited shall not be eligible for offering of Market Maker during the compulsory Market Making period. However the promoters holding of our Company which is not locked in as per SEBI (ICDR) Regulations can be traded with prior permission of the SME Platform of NSE, in the manner specified by SEBI from time to time.

12. The Market Maker shall not be responsible to maintain the price of the shares of the Issuer Company at any particular level and is purely supposed to facilitate liquidity on the counter of KKV Agro Powers Limited via its 2-way quotes. The price shall be determined and be subject to market forces.

13. The NSE SME Exchange 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 can impose any other margins as deemed necessary from time-to-time.

14. The Market Maker shall be liable for punitive action in case of default. NSE EMERGE Platform will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties/fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties/fines will be set by the Exchange

from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership. The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct/ manipulation/ other irregularities by the Market Maker from time to time.

Further, the following shall apply to market makers while managing their inventory during the process of market making:

a) The exemption from threshold as per table below shall not be applicable for the first three months of market making and the market maker shall be required to provide two way quotes during this period irrespective of the level of holding.

b) Threshold for market making as per table below will be inclusive of mandatory inventory of 5% of issue size at the time of allotment in the issue.

c) Any initial holdings over and above such 5% of issue size would not be counted towards the inventory levels prescribed.

d) Apart from the above mandatory inventory, only those shares which have been acquired on the platform of the exchange during market making process shall be counted towards the Market Maker's threshold.

e) Threshold limit will take into consideration, the inventory level across market makers.

f) The market maker shall give two way quotes till he reaches the upper limit threshold, thereafter he has the option to give only sell quotes.

g) Two way quotes shall be resumed the moment inventory reaches the prescribed re-entry threshold.

h) In view of the market maker obligation, there shall be no exemption/threshold on downside. However, in the event the market maker exhausts his inventory through market making process on the platform of the exchange, the concerned stock exchange may intimate the same to SEBI after due verification.

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

CAPITAL STRUCTURE

The share capital of the Company as on the date of this Prospectus, before and after the Issue, is set forth below:
(₹ in Lakhs, except share data)

S. No.	Particulars	Aggregate value at face value	Aggregate value at Issue Price
A	**Authorized Share Capital**		
	1,10,00,000 Equity Shares of face value of ₹10 each	1100.00	-
	1,00,000 Preference Shares of face value of ₹100 each	100.00	-
B	**Issued, subscribed and paid-up Equity Share Capital before the Issue**		
	2,50,800 Equity Shares of face value of ₹10 each	25.08	-
C	**Present Issue in terms of the Prospectus***		
	Issue of 1,12,000 Equity Shares of ₹10 at a premium of ₹310 per Equity Share.	11.20	358.40
	Which Comprises of		
	5,600 Equity shares of ₹10 each at a premium of ₹310 per Equity Share reserved as Market Maker Portion	0.56	17.92
	Net Issue to the public of 1,06,400 Equity Shares of ₹10 at a premium of ₹310/- per Equity Share.	10.64	340.48
	Of which		
	53,200 Equity Shares of ₹10 each at a premium of ₹310 per Equity Share will be available for allocation for Investors of up to ₹2.00 Lakhs	5.32	170.24
	53,200 Equity Shares of ₹10 each at a premium of ₹310 per Equity Share will be available for allocation for Investors of more than ₹2.00 Lakhs	5.32	170.24
D	**Equity capital after the Issue**		
	3,62,800 Equity Shares of ₹10 each		36.28
E	**Securities Premium Account**		
	Before the Issue	567.92	
	After the Issue	915.12	

* This Issue has been authorized by the Board of Directors pursuant to a board resolution 06th July, 2015 and by the shareholders of our Company pursuant to a special resolution dated 07th September, 2015 passed at the AGM of shareholders under section 62 (1) (c) of the Companies Act 2013.

1. NOTES TO CAPITAL STRUCTURE:

DETAILS OF THE INCREASE/CHANGES IN AUTHORIZED CAPITAL SINCE INCEPTION ARE AS FOLLOWS:

Sr. No.	Particulars		Date of Shareholder's	Changing Authority
	From	To		
1	₹10,00,000 consisting of 1,00,000 Equity Shares of ₹10 each.	₹1,00,00,000 consisting of 10,00,000 Equity Shares of ₹10 each.	09/08/2013	EGM
2	₹1,00,00,000 consisting of 10,00,000 Equity Shares of ₹10 each.	₹1,00,00,000 consisting of 1,00,000 equity shares of ₹10 and 90,000 Preference Shares of ₹100	28/03/2014	EGM
3	₹1,00,00,000 consisting of 1,00,000 equity shares of ₹10 and 90,000 Preference Shares of ₹100	₹9,10,00,000 consisting of 91,00,000 Equity Shares of ₹10 each and ₹90,00,000 consisting of 90,000 preference shares of ₹100 each.	16/04/2015	EGM
4	₹9,10,00,000 consisting of 91,00,000 Equity Shares of ₹10 each and ₹90,00,000 consisting of 90,000 preference shares of ₹100 each.	₹12,00,00,000 consisting of 1,10,00,000 Equity Shares of ₹10 each and 1,00,000 preference shares of ₹100 each.	07/09/2015	AGM

2. Equity Share capital history of our Company

Date of/ issue allotment of Shares	No. of Equity Shares Issued	Face value (₹)	Issue price (₹)	Consideration (cash, bonus, consideration other than cash)	Reason for allotment	Nature of Allotment (Bonus, swap etc.)	Cumulative no. of Equity Shares	Cumulative paid-up share capital (₹)	Cumulative share premium (₹ Lakhs)
12/06/2012	10,000	10.00	10.00	Cash	Subscription to Memorandum(1)	Equity	10,000	1,00,000	Nil
14/07/2012	57,600	10.00	10.00	Cash	Preferential Allotment(2)	Equity	67,600	6,76,000	Nil
18/05/2016	1,83,200	10.00	320.00	Cash	Preferential Allotment(3)	Equity	2,50,800	25,08,000	567.92
Total	**2,50,800**								

- *Subscription of 8,000 Equity Shares by Mr.T.K.Chandiran and 2,000 Equity shares by Mrs.C.Selvi.*
- *Allotment of 32,000 Equity Shares to Mr.T.K.Chandiran, 8,000 Equity Shares to Mrs.C.Selvi and 17,600 Equity Shares to SKM Animal Feed and Foods (India) Limited.*
- *Allotment of 1,12,638 Equity shares to Mr.T.K.Chandiran, 5,928 Equity Shares to Mrs.C.Selvi, 43,500 Equity Shares to Space Textiles Pvt Ltd and 21,134 Equity Shares to The KTM Jewellery Ltd.*

3. Preference Share capital history of our Company*

Date of/ issue allotment of Shares	No. of Equity Preference Shares Issued	Face value (₹)	Issue price (₹)	Consideration (cash, bonus, consideration other than cash)	Reason for allotment	Nature of Allotment (Bonus, swap etc.)	Cumulative no. of Preference Shares	Cumulative paid-up share capital (₹)	Cumulative share premium (₹)
31/03/2014	90,000	100	100	Cash	Allotment of 3% Redeemable Cumulative Preference Shares	Preference Shares	90,000	90,00,000* To be Redeemed on March 31, 2017	Nil

*Allotment of 90,000 Redeemable Cumulative Preference Shares to Mr.T.K.Chandiran

5. We have not issued any equity or preference shares for consideration other than cash.

4. As on the date of this prospectus, our Company has not allotted any Equity or Preference shares pursuant to any scheme under Section 391 – 394 of Companies Act, 1956.

5. Details of Shareholding of our Promoters:

Mr.T.K.Chandiran

Date of Allotment / acquisition	Nature of transaction	Number of Equity Shares	Face value per Equity Share (in ₹)	Issue / transfer price per Equity Share (in ₹)	Nature of consideration (cash / other than cash)	Cumulative number of Equity Shares	% of pre issue capital	% of post issue capital
12/06/2012	Memorandum Subscription	8,000	10.00	10.00	Cash	8,000	3.19	2.21
14/07/2012	Allotment of Equity Shares	32,000	10.00	10.00	Cash	40,000	12.76	8.82
19/02/2014	Transferred To Space Textile Pvt. Ltd.	(2,750)	10.00	10.00	Cash	37,250	1.10	0.76
25/08/2014	Transferred To The KTM Jewellery Ltd.	(2,750)	10.00	10.00	Cash	34,500	1.10	0.76
03/03/2015	Transferred from SKM Animal Feeds and Foods	173	10.00	10.00	Cash	34,673	0.07	0.05

Date of Allotment / acquisition	Nature of transaction	Number of Equity Shares	Face value per Equity Share (in ₹)	Issue / transfer price per Equity Share (in ₹)	Nature of consideration (cash / other than cash)	Cumulative number of Equity Shares	% of pre issue capital	% of post issue capital
	(India) Pvt. Ltd.							
03/03/2015	Transferred from Space Textiles Pvt. Ltd.	2,600	10.00	10.00	Cash	37,273	1.04	0.72
03/04/2015	Transferred To A.C.Vineeth Kumar	(10)	10.00	10.00	Cash	37,263	Negligible	Negligible
03/04/2015	Transferred To D.Kumudam	(10)	10.00	10.00	Cash	37,253	Negligible	Negligible
29/03/2016	Transferred to Space Textiles Pvt. Ltd.	(6000)	10.00	10.00	Cash	31,253	2.39	1.65
30/03/2016	Transferred from SKM Animal Feeds and Foods (India) Pvt. Ltd.	1,203	10.00	10.00	Cash	32,456	0.48	0.33
08/04/2016	Transferred from SKM Animal Feeds and Foods (India) Pvt. Ltd.	16,223	10.00	10.00	Cash	48,679	6.47	4.47
18/05/2016	Preferential Allotment	1,12,638	10.00	320.00	Cash	1,61,317	44.91	33.05
25/05/2016	Transferred to The KTM Jewellery Ltd	(4,500)	10.00	320.00	Cash	1,56,817	1.79	1.24
	Total	**1,56,817**						**43.22**

Mrs.C.Selvi

Date of Allotment / acquisition	Nature of transaction	Number of Equity Shares	Face value per Equity Share (in ₹)	Issue / transfer price per Equity Share (in ₹)	Nature of consideration (cash / other than cash)	Cumulative number of Equity Shares	% of pre issue capital	% of post issue capital
12/06/2012	Memorandum Subscription	2,000	10.00	10.00	Cash	2,000	0.80	0.55
14/07/2012	Allotment of Equity Shares	8,000	10.00	10.00	Cash	10,000	3.12	2.21
18/05/2016	Preferential Allotment	5,928	10.00	320.00	Cash	17,550	2.36	1.63
Total		**15,928**						**4.39**

Notes:

• None of the shares belonging to our promoters have been pledged till date. • All the promoters' shares shall be subject to lock-in from the date of listing of the equity shares issued through this Prospectus for periods as per applicable Regulations of the SEBI (ICDR) Regulations. For details please see Note no. 7 of "Capital Structure" on page 46 of this Prospectus.

7. Promoters' Contribution and other Lock-In details:

Details of Promoters' contribution locked in for three years:

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

The details of the Promoter Equity Shares proposed to be locked-in for a period of three years are as follows:

Name of Promoter	No. of Shares locked in	As a % of Post Issue Share Capital
T.K.Chandiran	65,304	18.00%
C.Selvi	7,256	2.00%
Total	72,560	20.00%

The promoter's contribution has been brought into the extent of not less than the specified minimum amount has been contributed by the persons defined as promoter under the SEBI ICDR Regulations. Our company has obtained written consent from our promoters for the lock-in of 72,560 Equity Shares for a period of 3 Years from the date of allotment in the issue.

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

- have not been subject to pledge or any other form of encumbrance; or
- have not been acquired, during preceding three years, for consideration other than cash and revaluation of assets or capitalization of intangible assets is not involved in such transaction;
- is not resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the Issuer or from bonus issue against Equity Shares which are ineligible for minimum Promoters' Contribution;
- Equity Shares for which specific written consent has not been obtained from the shareholders for inclusion of their subscription in the minimum Promoters' Contribution subject to lock-in.
- have not been acquired by the Promoters during the period of one year immediately preceding the date of filing of this Prospectus at a price lower than the Issue Price.

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

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

stated, the loan has been granted by such banks or financial institutions for the purpose of financing one or more of the objects of this Issue.

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

We further confirm that our Promoters' Contribution of 20% of the Post Issue Equity does not include any contribution from Alternative Investment Funds.

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

Pursuant to Regulation 37 of the SEBI (ICDR) Regulations, in addition to the Promoters' Contribution to be locked-in for a period of 3 years, as specified above, the entire Pre-Issue Issue Equity Share capital will be locked in for a period of one (1) year from the date of allotment in this Issue.

Further, pursuant to Regulation 40 of the SEBI ICDR Regulations, the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other person holding the Equity Shares which are locked-in as per Regulation 37 of the 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 the SEBI ICDR Regulations has ended, subject to compliance with the Takeover Code, as applicable.

9. Our Promoters and Promoter Group will not participate in this Issue.

10. This Issue is being made through Fixed Price method.

11. Table (I) Shareholding pattern of our Company:

Category(I)	Category of shareholder (II)	Nos. of shareholders(III)	No. of fully paid up equity shares held (IV)	No .of Partly paid-up equity shares held(V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII)= (IV)+(V)+(VI)	Share holding as a %of total no. of shares (calculated as per SCRR, 1957)(VIII) As a % of(A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities(including Warrants)(X)	Shareholding,asa%assumingfullconversionofconvertiblesecurities(as a Percentage of diluted share capital) (XI)=(VII)+(X) As a% of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No of Voting Rights			Total as a %of(A+B+C)			No.(a)	As a % of total Shares held(b)	No.(a)	As a %of total Shares held(b)	
								Class eg: X	Class eg: Y	Total								
(A)	Promoter& Promoter Group	6	2,50,799	-	-	2,50,799	100.00	100.00	-	100.00	100.00	-	100.00	-		-		2,50,799
(B)	Public*	1	1	-	-	1	0.00	0.00	-	0.00	0.00	-	0.00	-		-		1
(C)	Non Promoter-Non Public	-		-	-	-	-	-	-	-	-	-	-	-		-		
(C1)	Shares Underlying DRs	-		-	-	-	-	-	-	-	-	-	-	-		-		
(C2)	Shares held by Employee Trusts	-		-	-	-	-	-	-	-	-	-	-	-		-		
	Total	7	2,50,800	-	-	2,50,800	100.00	100.00	-	100.00	100.00	-	100.00	-		-		2,50,800

[B] Shareholding of our Promoters and Promoter Group

Following are the details of the holding of securities pre and post Issue shareholding of persons belonging to the category "Promoter and Promoter Group":

	Category & Name of Shareholder	**PAN**	**Number of Shareholders**	**No. of fully paid up equity shares held**	**Partly paid-up equity shares held**	**Nos. of shares underlying Depository Receipts**	**Total number of shares held**	**Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)**	**Number of Voting Rights held in each class of securities (IX)**		No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Shares Pledged of otherwise encumbered		Number of equity shares held in dematerialized form
									No of Voting Rights Each share has I vote	Total as a % of Total Voting rights			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII = IV+V+VI)	(VIII)	Total		(X)	(XI) = (VII)+(X) as a % of A+B+C2	(XII)		(XIII)		(XIV)
A	Shareholding of Promoter and Promoter Group2																
1	Indian																
a	Individuals/ Hindu Undivided Family		4	172765	0		172765	68.886	172765	68.886	0	68.886	0	0.000	0	0.000	172765
	T K CHANDIRAN	ABTPC9123G	1	156817			156817	62.527	156817	62.527	0	62.527	0		0		156817
	KUMUDAM DHANDAPANI	AFSPK6691N	1	10			10	0.004	10	0.004	0	0.004	0		0		10
	SELVI.	AICPS2501C	1	15928			15928	6.351	15928	6.351	0	6.351	0		0		15928
	A C VINEETHKUMAR	AJEPV3071B	1	10			10	0.004	10	0.004	0	0.004	0		0		10
b	Central Government/ State Government(s)																
c	Financial Institutions/ Banks																
d	Any Others(Specify)																

	Bodies Corporate		2	78034	0		78034	31.114	78034	31.114	0	31.114	0	0.00	0	0.00	78034
	THE KTM JEWELLERY LIMITED	AABCK7104P	1	28384			28384	11.317	28384	11.317	0	11.317	0		0		28384
	SPACE TEXTILES PRIVATE LIMITED	AAKCS0757M	1	49650			49650	19.797	49650	19.797	0	19.797	0		0		49650
	Sub Total(A)(1)		6	250799	0	0	250799	100.000	250799	100.000	0	100.000	0	0.000	0	0.000	250799
2	Foreign																
a	Individuals (Non-Residents Individuals/ Foreign Individuals)																
b	Government																
c	Institutions																
d	Foreign Portfolio Investor																
e	Any Others(Specify)																
	Sub Total(A)(2)		0	0	0	0	0	0.000	0	0.000	0	0.000	0	0.000	0	0.000	0
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)		6	250799	0	0	250799	100.000	250799	100.000	0	100.000	0	0.000	0	0.000	250799

Table III - Statement showing shareholding pattern of the Public Shareholders:

	Category & Name of Shareholders	PAN	Number of Shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	Nos. of shares underlying Depository Receipts	Total number of shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Shares Pledged of otherwise encumbered		Number of equity shares held in dematerialized form
									No of Voting Rights Each share has I vote			Total as a % of Total Voting rights			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII = IV+V+VI)	(VIII)			Total		(X)	(XI) = (VII)+(X) as a % of A+B+C2	(XII)		(XIII)		(XIV)
(1)	Institutions																		
(a)	Mutual Funds/		0	0	0		0	0.00			0	0.00	0	0.00	0	0.00	0	0.00	0
(b)	Venture Capital Funds																		
(c)	Alternate Investment Funds																		
(d)	Foreign Venture Capital Investors																		
(e)	Foreign portfolio Investors																		
(f)	Financial Institutions / Banks		0	0	0		0	0.00			0	0.00	0	0.00	0	0.00	0	0.00	0
(g)	Insurance Companies																		
(h)	Provident Funds/Pension Funds																		
(i)	Any Other (specify)																		
	Foreign Financial Institutions		0	0	0		0	0.00			0	0.00	0	0.00	0	0.00	0	0.00	0
	Sub-Total (B)(1)		0	0	0	0	0	0.00			0	0.00	0	0.00	0	0.00	0	0.00	0
(2)	Central Government/ State Government(s)/ President of India																		
	Sub-Total (B)(2)		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(3)	Non-institutions																		

(a)	Individuals -i. Individual shareholders holding nominal share capital up to Rs 2 lakh		0	0	0	0	0	0.00			0	0.00	0	0.00	0	0.00	0	0.00	0
	ii. Individual shareholders holding nominal share capital in excess of ₹ 2 lakh.		0	0	0	0	0	0.00			0	0.00	0	0.00	0	0.00	0	0.00	0
(b)	NBFCs registered with RBI																		
(c)	Employee Trusts																		
(d)	Overseas Depositories (holding DRs) (balancing figure)																		
(e)	Any other (Specify)																		
	Directors & Relatives		0	0	0		0	0.00			0	0.00	0	0.00	0	0.00	0	0.00	0
	Bodies Corporates		1	1	0		1	0.00			1	0.00	0	0.00	0	0.00	0	0.00	1
	Trusts		0	0	0		0	0.00			0	0.00	0	0.00	0	0.00	0	0.00	0
	Foreign Nationals		0	0	0		0	0.00			0	0.00	0	0.00	0	0.00	0	0.00	0
	Non Resident Indians		0	0	0		0	0.00			0	0.00	0	0.00	0	0.00	0	0.00	0
	Clearing Members		0	0	0		0	0.00			0	0.00	0	0.00	0	0.00	0	0.00	0
	Hindu Undivided Families		0	0	0		0	0.00			0	0.00	0	0.00	0	0.00	0	0.00	0
	Foreign Corporate Bodies		0	0	0		0	0.00			0	0.00	0	0.00	0	0.00	0	0.00	0
	NRI-Director		0	0	0		0	0.00			0	0.00	0	0.00	0	0.00	0	0.00	0
	Sub-Total(B)(3)		1	1	0	0	1	0.00			1	0.00	0	0.00	0	0.00	0	0.00	1
	Total Public Shareholding (B)= (B)(1)+(B)(2)+B(3)		1	1	0	0	1	0.00			1	0.00	0	0.00	0	0.00	0	0.00	1

12. Equity Shares held by top ten shareholders

A. Our top ten shareholders and the number of Equity Shares held by them as on date of this Prospectus are as under:

Sr. No.	Name of shareholder	No. of Shares	% age of pre-Issue capital
1	T.K.Chandiran	1,56,817	62.53
2	Space Textiles Private Limited	49,650	19.80
3	The KTM Jewellery Limited	28,384	11.32
4	C.Selvi	15,928	6.35
5	A.C.Vineeth Kumar	10	Negligible
6	D.Kumudam	10	Negligible
7	SKM Animal Feed and Foods (India) Private Limited	1	Negligible

B. Our top ten shareholders and the number of Equity Shares held by them ten days prior to the date of this Prospectus are as under:

Sr. No.	Name of shareholder	No. of Shares	% age of pre-Issue capital
1	T.K.Chandiran	1,61,317	64.32
2	Space Textiles Private Limited	49,650	19.80
3	The KTM Jewellery Limited	23,884	9.52
4	C.Selvi	15,928	6.35
5	A.C.Vineeth Kumar	10	Negligible
6	D.Kumudam	10	Negligible
7	SKM Animal Feed and Foods (India) Private Limited	1	Negligible

C. Our top ten shareholders and the number of Equity Shares held by them two years prior to date of this Prospectus are as under:

Sr. No.	Name of shareholder	No. of Shares	% age of pre-Issue capital
1	T.K.Chandiran	40,000	59.17
2	C.Selvi	10,000	14.79
3	SKM Animal Feed and Foods (India) Limited	17,600	26.04

13. Aggregate Shareholding of our Promoter and Promoter Group as on the date of this prospectus:

Sr. No.	Name of shareholder	No. of Shares	% age of pre-Issue capital
1	T.K.Chandiran	1,56,817	62.53
2	Space Textiles Private Limited	49,650	19.80
3	The KTM Jewellery Limited	28,384	11.32
4	C.Selvi	15,928	6.35
5	A.C.Vineeth Kumar	10	Negligible
6	D.Kumudam	10	Negligible

14. Details of transactions in Equity Shares by the Promoters and Promoter Group of the Company Other than the transfer as mentioned below, there are no Equity Shares that have been purchased or acquired by the Promoter Group and/or the Directors and/or the immediate relatives of the Directors (as defined under Regulation 2(1)(zb)(ii) of the ICDR Regulations within the last six months preceding the date of filing the Prospectus with the Stock Exchange:

Name of transferor	Name of transferee	Date of transaction	No. of shares	Transfer price (₹)
T.K.Chandiran	Space Textiles Pvt Ltd	29/03/2016	6,000	10.00
SKM Animal Feeds and Foods (India) Pvt Ltd	T.K.Chandiran	30/03/2016	1,203	10.00
SKM Animal Feeds and Foods (India) Pvt Ltd	T.K.Chandiran	08/04/2016	16,223	10.00
T.K.Chandiran	The KTM Jewellery Ltd	25/05/2016	4,500	320.00

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

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

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

18. As on date of this Prospectus, the entire issued share capital of our Company is fully paid-up. The Equity Shares offered through this Public Issue will be fully paid up.

19. As on date of this Prospectus, there are no outstanding financial instruments or any other rights that would entitle the existing Promoters or shareholders or any other person any option to receive Equity Shares after the Issue.

20. Our Company has not issued any Equity Shares out of revaluation reserves and not issued any bonus shares out of capitalization of revaluation reserves.

21. Lead Manager to the Issue viz. Karvy Investor Services Limited does not hold any Equity Shares of our Company.

22. Our Company has not made any public issue since incorporation.

23. There will be only one denomination of the Equity Shares of our Company unless otherwise permitted by law, our Company shall comply with such disclosure, and accounting norms as may be specified by SEBI from time to time.

24. There will be no further issue of capital whether by way of issue of bonus shares, preferential allotment, and rights issue or in any other manner during the period commencing from submission of this Prospectus with SEBI until the Equity Shares to be issued pursuant to the Issue have been listed.

25. Except as disclosed in the Prospectus, our Company presently does not have any intention or proposal to alter its capital structure for a period of six (6) months from the date of opening of the Issue, by way of spilt/consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise. However, during such period or a later date, it may issue Equity Shares or securities linked to Equity Shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.

26. Our Company does not have any ESOS/ESPS scheme for our employees and we do not intend to allot any shares to our employees under ESOS/ESPS scheme from the proposed Issue. As and when, options are granted to our employees under the ESOP scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.

27. An investor cannot make an application for more than the number of Equity Shares offered in this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.

28. No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoters to the persons who receive allotments, if any, in this Issue.

29. Our Company has 7 (Seven) members as on the date of filing of this Prospectus.

30. No Equity shares have been issued at price below Issue price within last one year from the date of the Prospectus

31. As on the date of this Prospectus, there are no public shareholders holding more than 1% of the pre-issue share capital of our Company.

32. In case of over-subscription in all categories the allocation in the issue shall be as per the requirements of Regulation 43(4) of SEBI (ICDR) Regulations, 2009 and its amendments from time to time.

33. There are no Equity Shares against which depository receipts have been issued.

34. There are no safety net arrangements for this public issue.

35. As per RBI regulations, OCBs are not allowed to participate in this issue.

36. We shall ensure that transactions in Equity Shares by the Promoters and members of the Promoter Group, if any, between the date of registering this Prospectus with the RoC and the Issue Closing Date are reported to the Stock Exchanges within 24 hours of such transactions being completed.

OBJECTS OF THE ISSUE

The objects of the Issue are as stated below:

1. Setup of 0.8 MW Wind Energy Project in Tamil Nadu.
2. Erection of 33KV Electricity Transmission Line.
3. Repayment of Term Loan.
4. General Corporate Purposes.
5. Issue Expenses.

The other Objects of the Issue also include creating a public trading market for the Equity Shares of our Company by listing them on NSE Emerge. We believe that the listing of our Equity Shares will enhance our visibility, branding and for better growth opportunities.

The main object clause of Memorandum of Association of our Company enables us to undertake the existing activities and the activities for which the funds are being raised by us through the present Issue. Further, we confirm that the activities which we have been carrying out till date are in accordance with the object clause of our Memorandum of Association.

FUNDS REQUIREMENT

We intend to utilize the proceeds of the Issue, in the manner set forth below:

S. No.	Particulars	Amount (₹ In lakhs)	% of Means of Finance
1	Setting up 0.8 MW Wind Energy Project in Tamil Nadu	475.00	50.28
2	Erection of 33KV Electricity Transmission Line.	50.00	5.29
3	Repayment of Term Loan availed from Indian Bank	320.00	33.88
4	General Corporate Purposes	67.64	7.16
5	Issue Expenses	32.00	3.39
	Total	**944.64**	**100.00**

MEANS OF FINANCE

S. No.	Particulars	Amount (₹ In Lakhs)
1.	Proceeds from the IPO	358.40
2.	Proceeds from preferential allotment made to Promoter and Promoter Group on May 18, 2016	586.24
	Total	**944.64**

We propose to meet the requirement of funds for the stated objects of the Issue from the Net Proceeds. Hence, amount equal to 75% of the stated means of finance is required to be raised through means other than the Issue Proceeds. Accordingly, the requirements under Regulation 4 (2) (g) of the SEBI ICDR Regulations and Clause VII C of Part A of Schedule VIII of the SEBI ICDR Regulations (which requires firm arrangements of finance through verifiable means for 75% of the stated means of finance, excluding the Issue Proceeds and existing identifiable internal accruals) have been made.

Our fund requirements and deployment thereof are based on the estimates of our management. These are based on current circumstances of our business and are subject to change in light of changes in external circumstances or costs, or in our financial condition, business or strategy. In case of a shortfall in the Net Proceeds, our management may explore a range of options which include utilisation of our internal accruals, debt or equity financing. Our management expects that such alternate arrangements would be available to fund any such shortfall.

No part of the issue proceeds will be paid as consideration to Promoters, Promoter Group, Group Entities, directors, Key Managerial Personnel and associates.

DETAILS OF THE OBJECTS OF THE ISSUE

Our company proposes to expand its capacity by setting up another Wind Farm Project of 0.8MW at Vaagaikulam Phase II in Tamil Nadu to meet the increasing demand for energy. The total turnkey cost of the project as submitted by Wind World India Ltd is ₹475.00 Lakhs.

I. Setting up 0.8 MW Wind turbine Project:

S. No	Particulars	Amount (₹ In Lakhs)
1.	Purchase of Wind turbines	396.00
2.	Transfer of Project Approvals and Allotment of Land	18.00
3.	Civil works for Installation, testing and commissioning	46.00
4.	Transportation Charges	15.00
	Total	**475.00**

The following lists the price for purchase of wind turbines, transfer of project approvals and allotment of Land, Civil works for installation, testing and commissioning and Transportation Charges.

S.No	Name of the Vendor	Date of the Quotation, Reference No	Material Description	Price per unit (₹. In Lakhs)	Qty	Total Value (₹. In Lakhs)
1	Wind World (India) Limited	25th May 2016, (C:RR:STE:16-17)	Nascelle	99.82	1	99.82
2	-do-	-do-	Rotor Head	98.92	1	98.92
3	-do-	-do-	Blade Set (3 per set)	58.23	1	58.23
4	-do-	-do-	Power Cabinet (3 per set)	38.70	1	38.70
5	-do-	-do-	Control Cabinet	32.33	1	32.33
6	-do-	-do-	Supply of Transformer & DP Structure for Wind World Make WW-53 WEC of 800 kW Capacity.	16.00	1	16.00
7	-do-	-do-	Steel Section 19 & 20	7.00	1	7.00
8	-do-	-do-	Concrete Towers	45.00	1	45.00

9	-do-	-do-	Transfer of Project Approvals and Allotment of Land	18.00	1	18.00
10	-do-	-do-	Construction of Foundation and other related civil work for the installation of Wind World make 800 KW WEG model WW-53	18.00	1.00	18.00
11	-do-	-do-	Installation, testing & commissioning of WEG and 33KV internal electrical lines for connection of 800 KW – WEG – WW - 53 model, to the grid at the site.	28.00	1.00	28.00
12	-do-	-do-	Transportation Charges towards supply of materials from Daman, and other places	15.00	1.00	15.00
Total				**475.00**		**475.00**

Our company has placed purchase orders with the above vendor on May 28, 2016

II. Erection of 33KV Transmission Line

The proposed WEG will be connected by means of 33 KV overhead transmission lines in the wind farm and terminating it at the nearest substation of TANGEDCO located at Vaagaikulam located at a distance of about 5 kms from the project site. Details of the quotation obtained towards erection of transmission line are given below

Sr. No.	Name of the vendor	Date of the Quotation	Description	Rate (₹ Lakhs)	Nos.	Total Amount in (₹ Lakhs)
1.	Ifox renewables & Infra Pvt. Ltd.	24th May 2016	33KV Electricity Transmission Line with bill of Materials for 5 KM distance including labours including all approvals and taxes	50.00	1	50.00
			Total			**50.00**

III. Repayment/Prepayment of Term Loan:

Our company has availed a term loan of ₹600 Lakhs on 13th January 2014 from Indian Bank Ltd for setting up of our Solar Power project at Uthampalayam village, Kengeyam (Taluk), Tirupur (District), Tamil Nadu. As on 19-05-2016 the outstanding loan amount is ₹318.29 Lakhs and a prepayment penalty of ₹6.37 Lakhs as per the Term loan sanction agreement. We propose to utilize ₹320 Lakhs from the Net Proceeds towards the repayment/prepayment, in full or part of the term loan availed by us. We believe that reducing our indebtedness will result in an enhanced equity returns and enable better utilization of our accruals for further investment in business growth.

The following table provides details including details of outstanding amount including accrued interest as on 19th May, 2016 of the term loan availed by the company.

Particulars	Details
Amount Sanctioned	₹ 600 Lakhs
Purpose of Availment	To finance the setup of Solar Power Plant.
Tenor	Repayable 60 monthly installments of ₹10 Lakhs each with a holiday period of 6 months from the date of first disbursement.
Interest Rate	BLR + 2.65%
Prepayment Penalty	At the rate of 2% on the amount of prepayment subject to the condition that in case the prepayment is due to internal accruals, the prepayment charge will be waived if such payment comes at the end of 4th year of availment and onwards.
Amount outstanding as on 19-05-2016	₹318.29 Lakhs and a prepayment penalty of ₹6.37 Lakhs

IV. General Corporate Purposes

Our management will have flexibility in applying ₹67.64 Lakhs of the Net Proceeds towards general corporate purposes, including (i) acquiring fixed assets; (ii) meeting exigencies which our Company may face in the ordinary course of business; and (iii) 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.

V. Issue Expenses

The total expenses of the Issue are estimated to be approximately ₹32 Lakhs. The Issue expenses consist of listing fees, underwriting fees, selling commission, fees payable to the Lead Manager, Legal Counsel, Registrar to the Issue, processing fee to the SCSBs, Escrow Bankers, printing and stationary expenses, advertising and marketing expenses and all other incidental expenses for listing the Equity Shares on the NSE Emerge platform.

The break-up for the estimated Issue expenses is as follows:

Particulars	Estimated Expense	% Of Issue Expenses	% of Total Issue size
Issue management fees including fees and reimbursements of Market Making fees, selling commissions, brokerages, and payment to other intermediaries such as Legal Advisors, Registrars and other out of pocket expenses.	25.50	79.69	7.11

Advertising and Marketing Expenses	2.00	6.25	0.56
Printing, Stationery & Distribution	2.50	7.81	0.70
Statutory and other Miscellaneous Expenses	2.00	6.25	0.56
Total	**32.00**	**100.00**	**8.93**

Schedule of Implementation:

Sr. No.	Proposed Activity	Commencement in month of	Completion in month of
1.	Placing of Orders	May, 2016	May, 2016
2.	Commissioning of Wind Turbines	July , 2016	September, 2016
3.	Commencement of Commercial operations	September, 2016	September, 2016
4.	Repayment of Term Loan	July, 2016	July, 2016

Details of funds already deployed & Sources of funds deployed

As estimated by our management, the proceeds from the Issue and proceeds from preferential issue of equity shares to promoters and promoter group shall be utilized as follows:

(₹ in Lakhs)

Particulars	Total Funds required	Amount incurred till 24th May, 2016	Balance Deployment
Setting up 0.8 MW Wind Energy Project in Tamil Nadu	475.00	--	475.00
Erection of transmission Line	50.00	--	50.00
Repayment of Term Loan	320.00	--	320.00
General Corporate Purposes	67.64	--	67.64
Issue Expenses	32.00	5.80	26.20
Total	**944.64**	**5.80**	**938.84**

The funds deployed up upto 24th May, 2016 towards the object of this issue as certified by the Statutory Auditors of our Company, M/s Haribhakti & Co. LLP, Chartered Accountants vide their certificate dated 25th May 2016 is given below:

DEPLOYMENT OF FUNDS	Amount (₹ In Lakhs)
Setting up of windmill	Nil
Erection of transmission Line	Nil
Repayment of term Loan	Nil
Issue Related Expenses	5.80
Total	**5.80**

Sources of Funds

Particulars	Amount (₹ In Lakhs)
Internal Accruals	5.80
Total	**5.80**

Interim Use of Funds

Pending utilization for the purposes described above, we intend to deposit the Issue Proceeds only in scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934. In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Issue Proceeds for any investment in the equity markets.

Monitoring Utilization of Funds

As the size of the Issue does not exceed ₹50,000 lacs, in terms of Regulation 16 of the SEBI Regulations, our Company is not required to appoint a monitoring agency for the purposes of this Issue. Our Board and Audit Committee shall monitor the utilization of the Issue Proceeds.

Pursuant to Regulation 32 of the SEBI Listing Regulations, as applicable, our Company shall on a half yearly basis disclose to the Audit Committee the deviations and the category wise variations of the Issue Proceeds and after such review, the statements shall be submitted to the Stock Exchange. This information will also be advertised in newspapers simultaneously with the interim or annual financial results of our Company after placing the same before the Audit Committee. We will disclose the utilization of the Issue Proceeds under a separate head in our balance sheet(s) until such time as the Issue Proceeds remain unutilized clearly specifying the purpose for which such Issue Proceeds have been utilized. In the event that we are unable to utilize the entire amount that we have currently estimated for use out of the Issue Proceeds in a fiscal, we will utilize such unutilized amount in the next fiscal. We will also, under a separate head in our balance sheet, provide details, if any, in relation to any amounts out of the Issue Proceeds that have not been utilized, also indicating interim investments, if any, of such unutilized Issue Proceeds.

No part of the Proceeds from the Issue will be paid by us as consideration to our Promoters, Promoter Group, our Directors, Group Companies or Key Managerial Personnel, except in the normal course of our business.

Variation in Objects

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

BASIC TERMS OF ISSUE

Authority for the Issue

This Issue of Equity Shares has been authorized by the Board of Directors of our Company at their meeting held on July 06, 2015 and was approved by the Shareholders of the Company by passing a Special Resolution at the Annual General Meeting held on September 07, 2015 in accordance with the provisions of Section 62 (1) (C) of the Companies Act, 2013.

Terms of the Issue

The Equity Shares being issued are subject to the provisions of the Companies Act, SEBI (ICDR) Regulations, 2009, our Memorandum and Articles of Association, the terms of this Prospectus, the Application Form, the Revision Form, the Confirmation of Allocation Note and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of this Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, NSE EMERGE platform, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable.

Face Value

Each Equity Share shall have the face value of ₹10.00 each.

Issue Price

Each Equity Share is being offered at a price of ₹320/- each and is 32 times of Face Value.

Market Lot and Trading Lot

The Market lot and Trading lot for the Equity Share is 400 (four hundred) and the multiple of 400; subject to a minimum allotment of 400 Equity Shares to the successful applicants.

Terms of Payment

100% of the issue price of ₹320/- each shall be payable on Application. For more details please refer *"Terms of the Issue"* beginning to page 219 of the Prospectus.

Ranking of the Equity Shares

The Equity Shares being issued shall be subject to the provisions of the Companies Act, our Memorandum and Articles of Association and shall rank pari-passu in all respects including dividend with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment.

For further details, please see the section titled *"Main Provisions of the Articles of Association of our Company"* beginning on page 270 of this Prospectus.

MINIMUM SUBSCRIPTION

As per Section 39 of the Companies Act, 2013, if the "stated minimum amount" has not be subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the offer through the Offer Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within 6 working days of closure of issue.

Further, in accordance with Regulation 106Q of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than ₹1,00,000/- (Rupees One Lakh) per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

BASIS FOR ISSUE PRICE

The Issue Price of ₹320 per Equity Share has been determined by our Company, in consultation with the Lead Manager on the basis of the following qualitative and quantitative factors. The face value of the Equity Share is ₹10 and Issue Price is ₹320 per Equity Share and is 32 times the face value.

QUALITATIVE FACTORS:

Some of the qualitative factors which form the basis for computing the Issue Price are:

1. Our windmills are located in the state of Tamil Nadu which has the most potent wind passes in the country.
2. We have assured sources of revenue through PPAs.
3. The Country is experiencing a rapid growth in Renewable energy sector.

QUANTITATIVE FACTORS:

The information presented below relating to the Company is based on the restated standalone financial statements of the Company for Financial Year 2013, 2014 and 2015 prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis for computing the price, are as follows:

1. Basic and Diluted Earnings per Equity Share (EPS) (on Face value of ₹10 per share)

Period Ended	Restated Basic and Diluted EPS (₹)	Weight
December 31, 2015 *	79.94	
March 31, 2015	63.34	3
March 31, 2014	94.51	2
March 31, 2013*	54.34	1
Weighted Average	72.23	

*Not Annualized

Note:
Note: EPS has been calculated in accordance with the Accounting Standard 20 – "Earning per share" issued by ICAI. The face value of equity shares of the Company ("Equity Shares") is ₹10.

2. Price/Earnings Ratio (P/E) in relation to the Issue Price ₹320/- Per Equity Share of ₹10/- each

Particulars	Standalone
P/E ratio based on Basic EPS for FY 2014-15	5.05
P/E ratio based on Weighted Average EPS	4.43
Industry P/E	
Highest	503.6
Lowest	7.5

*P/E based on for the entire wind energy Sector (Source: Capital Market Volume XXXI/06, May 09-22, 2016; Sector – Power Generation and Supply)

3. Return on Net worth (RONW)

Period ended	RONW (%)	Weights
December 31, 2015 *	19.19	
March 31, 2015	19.18	3
March 31, 2014	32.37	2
March 31, 2013*	84.46	1
Weighted Average	**34.45**	

*Not Annualized

Note: The return on net worth is arrived at by dividing restated net profit after tax by restated net worth, respectively, as at the end of the year/period.

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

a. Based on Basic and Diluted EPS, as restated of FY 2014-15 of ₹63.34 at the Issue Price of ₹320
-19.98% on the restated financial statements.

b. Based on Weighted average Basic and Diluted EPS, as restated of FY 2014-15 of ₹72.23 at the Issue Price of ₹320
-22.79% on the restated financial statements.

5. Net Asset Value per Equity Share

Sr. No	Particulars	(in ₹)
a)	NAV as at December 31, 2015	302.10
	NAV as at March 31, 2015	222.17
	NAV as at March 31, 2014	158.83
	NAV as at March 31, 2013	64.35
b)	Issue Price	320.00
c)	NAV after the issue	317.00

Note: Net asset value per equity share represents the net worth as at the end of the year / period, as restated divided by the number of equity shares outstanding as at the end of the year/ period.

Source: Based on the restated financial statements of the Company for the nine months ended December 31, 2015.
Note 1: Total Income is as sourced from the respective annual reports of the companies
Note 2: Basic EPS refer to the basic EPS sourced from the respective annual reports of the companies
Note 3: RoNW has been computed as net profit after tax divided by the net worth of these companies.

'Net worth' has been defined as the aggregate of the paid up share capital (excluding preference share capital), share premium account, and reserves and surplus (excluding revaluation reserve) as reduced by the aggregate of the miscellaneous expenditure (to the extent not adjusted or written-off) and the debit balance of the profit and loss account.

Note 4: Net asset value per equity share represents the net worth as at the end of the year / period, as restated divided by the number of equity shares outstanding as at the end of the year/ period.

6. Comparison with other listed companies*

The peer group comparison of various accounting ratio is as below:-

Companies	Results Type	Face Value (₹)	NAV (₹)	EPS	RONW (%)	P/E Ratio
SJVN Ltd	Standalone	10.00	24.70	4.10	17.40	7.50
Torrent Power Ltd	Standalone	10.00	143.90	15.00	11.30	9.80
KKV Agro Powers Ltd	Standalone	10.00	222.17	63.34	19.18	5.05

* All comparisons are as per the Standalone Financials of the companies for the year ended March 31, 2015
(Source: Capital Market Volume XXXI/06, May 09-22, 2016; Sector – Power Generation and Supply)

Note: We could not find any listed company engaged in similar kind of business activities. However, we have selected few companies which are engaged in similar activities.

7. The face value of our shares is ₹10/- per share and the Issue Price of ₹320/- per share is 32 times of the face value.

The Issue Price of ₹320 per share is justified in view of the above qualitative and quantitative parameters. The investors should peruse the risk factors and the financials of the Company including accounting ratios, as set out in chapter titled "Financial Information" on page no 151of the Prospectus to have a more informed view of the investment.

STATEMENT OF TAX BENEFITS

To
The Board of Directors,
KKV Agro Power Limited
Coimbatore

Dear Sir,

Statement of Possible Tax Benefits Available to the Company and its shareholders

We hereby confirm that the enclosed Annexure, prepared by KKV Agro Power Limited ('the Company')
Which states the possible special and general tax benefits available to the Company and the shareholders of the Company under the Income Tax Act, 1961 ('Act') presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company or its shareholders may or may not choose to fulfill.

The benefits discussed in the enclosed Annexure are not exhaustive and preparation of the contents stated is the responsibility of the Company's management. We are informed that this statement is only intended to provide general information to the investors and hence is neither designed nor intended to be a substitute for professional tax advice.

Our confirmation is based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. We have no responsibility to update this report for events and circumstances occurring after the date of this report. We do not express an opinion or provide any assurance as to whether:

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

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI FRN 103523W

G N Ramaswami
Partner
Membership No : 202363
Place: Coimbatore
Date: 25th May 2016

STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE COMPANY'S SHAREHOLDERS UNDER THE INCOME TAX ACT, 1961 ("INCOME TAX ACT,1961") AND OTHER DIRECT TAX LAWS PRESENTLY IN FORCE IN INDIA

The following key tax benefits are available to the Company and the prospective shareholders of the Company under the Income tax Act,1961 (Act), presently in force in India as identified/ prepared by the company. The tax benefits listed below are the possible benefits available under the current tax laws presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on business imperative it faces in the future, it may or may not choose to fulfil. This Statement is only intended to provide the tax benefits to the Company and its shareholders in a general and summary manner and does not purport to be a complete analysis or listing of all the provisions or possible tax consequences of the subscription, purchase, ownership or disposal etc. of Equity Shares. In view of the individual nature of tax consequence and the changing tax laws, each investor is advised to consult their own tax adviser with respect to specific tax implications arising out of their participation in the Issue.

Special Tax Benefits

1. Special Tax Benefits Available to the Company

As per Section 80 IA of the Income Tax Act, 1961, the Company is eligible for deduction of profits and gains from its undertakings engaged in power generation from Gross Total Income for a period of 10 years in a block of 15 years from the date of its establishment, subject to fulfilment of certain conditions specified. The company is entitled to such deduction upto financial year 2016- 2017.

2. Special Tax Benefits Available to the Shareholders of the Company

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

General Tax Benefits

1. Key benefits / deductions available to the Company under the Income Tax Act, 1961

A) Business income:

a) Depreciation:

The Company is entitled to claim depreciation on specified tangible and intangible assets owned by it and used for the purpose of its business under Section 32 of the Income Tax Act, 1961. In case of new machinery or plant that is acquired by the Company (other than the specified exclusions), the Company is entitled to a further sum equal to 20% of the actual cost of such machinery or plant subject to conditions specified in Section 32 of the Income Tax Act,1961. Unabsorbed depreciation if any, for an assessment year can be carried forward and set off against any sources of income (except salary) in the same assessment year or any subsequent assessment years as per the provisions of Section 32(2) read with section 72 of the Act.

b) Investment in new Plant & Machinery:

Section 32AC(1A) of the Income Tax Act,1961 provides that, subject to the conditions specified in those sections, for the assessment years on or after 1.4.2015, the company is entitled to a deduction of a sum equal to the 15% of the actual cost of plant & machinery acquired and installed if the actual cost of new assets is 25 crores or more in any previous year. Such deduction is available upto AY 2017-18.

c) Contribution to certain Institutions / Projects:
As per Section 35 (1) (ii) contribution to an approved institution for usage in scientific research are eligible for weighted deduction at 175%.

d) Deductions under Chapter VI-A of the Income Tax Act,1961:
As per Section 80G of the Income Tax Act,1961 the Company is entitled to claim deduction of a specified amount in respect of eligible donations subject to the fulfilment of the conditions specified in that section.

e) MAT Credit:
As per Section 115JAA of the Income Tax Act,1961, the Company is eligible to claim credit for Minimum Alternate Tax ("**MAT**") paid for any assessment year commencing on or after April 1, 2006 against normal income-tax payable in subsequent assessment years. MAT credit shall be allowed for any assessment year to the extent of difference between the tax payable as per the normal provisions of the Income Tax Act,1961 and the tax paid under Section 115JB for that assessment year. Such MAT credit is available for set-off upto 10 years succeeding the assessment year in which the MAT credit arises.MAT credit is eligible for carry forward and set-off for up to 10 years succeeding the assessment year in which the MAT credit arises.

B) Capital gains:
a) i) **Long Term Capital Gain (LTCG)**
LTCG means capital gain arising from the transfer of a capital asset being a share or any other security held in a company which is listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a equity oriented mutual fund specified under clause (23D) of Section 10 or a Zero coupon bond held by an assessee for more than 12 months. In respect of any other capital assets, LTCG means capital gain arising from the transfer of an asset, held by an assessee for more than 36 months. However, in case the shareholder is a Company, income by way of long term capital gain shall not be reduced in computing the book profits for the purposes of computation of minimum alternate tax ("MAT") under section 115JB of the Income Tax Act,1961.

ii) **Short Term Capital Gain (STCG)**
STCG means capital gain arising from the transfer of capital asset being a share or any other security held in a company which is listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a equity oriented mutual fund specified under clause (23D) of Section 10 or a Zero coupon bonds, held by an assessee for 12 months or less. In respect of any other capital assets, STCG means capital gain arising from the transfer of an asset, held by an assessee for 36 months or less.

b) LTCG arising on transfer of equity shares of a company or units of an equity oriented fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)) are exempt from tax under Section 10(38) of the Income Tax Act,1961 provided the transaction is chargeable to securities transaction tax ("**STT**") and subject to conditions specified in that section. Income by way of long term capital gain exempt under Section 10(38) is to be taken into account in computing the Book profit and income tax payable under Section 115JB of the Income Tax Act,1961.

c) As per Section 48 of the Income Tax Act,1961 and subject to the conditions specified in that section, LTCG arising on transfer of capital assets (other than bonds and debentures (excluding capital indexed bonds issued by the Government) and depreciable assets), is to be computed by deducting the indexed cost of acquisition and indexed cost of improvement from the full value of consideration.
As per Section 112 of the Income Tax Act,1961, the LTCG that are not exempt under Section 10(38) of the Income Tax Act,1961, will be subject to tax at a rate of 20% with indexation benefit. No deduction from Chapter VIA shall be allowed

from such income.
However, if such tax payable on transfer of listed securities or units or Zero coupon bonds exceed 10% of the LTCG, without indexation benefit, the excess tax shall be ignored for the purpose of computing the tax payable by the assessee.

d) As per Section 111A of the Income Tax Act,1961, STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), are subject to tax at the rate of 15%, provided the transaction is chargeable to STT. No deduction under Chapter VIA shall be allowed from such income.

e) STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), where such transaction is not chargeable to STT, shall be taxable at the rate of 30%.

f) In addition to the aforesaid tax rates discussed in c, d and e above, in the case of domestic companies where the income exceeds Rs. 1,00,00,000 but less than Rs.10,00,00,000, a surcharge of 7% on such tax liability is also payable. A 2% education cess and 1% secondary and higher education cess on the total income tax is payable by all categories of taxpayers and where the income exceeds Rs. 10,00,00,000 a surcharge of 12% on such tax liability is also payable. A 2% education cess and 1% secondary and higher education cess on the total income tax is payable by all categories of taxpayers.

g) As per Section 71 read with Section 74 of the Income Tax Act,1961, short term capital loss arising during a year is allowed to be set-off against short term as well as long term capital gains. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent 8 assessment years.

h) As per Section 71 read with Section 74 of the Income Tax Act,1961, long term capital loss arising during a year is allowed to be set-off only against long term capital gains. Balance loss, if any, shall be carried forward and set-off against long term capital gains arising during subsequent 8 assessment years.

i) As per Section 54EC of the Income Tax Act,1961, capital gains arising from the transfer of a long term capital asset shall be exempt from capital gains tax if such capital gains are invested within a period of 6 months after the date of such transfer in specified bonds issued by the following and subject to the conditions specified therein:
- National Highway Authority of India constituted under Section 3 of National Highway Authority of India Act,1988
- Rural Electrification Corporation Limited, a company formed and registered under the Companies Act, 1956

If only part of the capital gains is reinvested, the exemption shall be proportionately available.

However, if the new bonds are transferred or converted into money within three years from the date of their acquisition, the amount so exempted shall be taxable as capital gains in the year of transfer/conversion.
As per this section, the investment in the Long Term Specified Asset cannot exceed 50 lakh rupees for a financial year and subsequent financial year.

Securities transaction tax:
As per the provisions of Section 36(1)(xv) of the Act, STT paid in respect of the taxable securities transactions entered into in the course of the business is allowed as a deduction if the income arising from such taxable securities transactions is included in the income computed under the head ‘Profit and gains of business or profession’. Where such deduction is claimed, no further deduction in respect of the said amount is allowed while determining the income chargeable to tax as capital gains.

C) Income from Other Sources

Dividend Income:

Dividend (both interim and final), if any, received by the Company on its investments in equity shares of another Domestic Company shall be exempt from tax under Section 10(34) read with Section 115-O of the Income Tax Act,1961.

Further, any amount declared, distributed or paid by the Company by way of dividends on or after 1 April 2003, whether out of current or accumulated profits, shall be charged to additional income tax at the rate of 15% (plus applicable surcharge and education cess). Credit in respect of dividend distribution tax paid by a subsidiary of the Company could be available while determining the dividend distribution tax payable by the Company as per provisions of Section 115-O(1A) of the Act, subject to fulfilment of prescribed conditions.

Income received in respect of units of a mutual fund specified under Section 10(23D) of the Income Tax Act, 1961 (other than income arising from transfer of such units) shall be exempt from tax under Section 10(35) of the Income Tax Act,1961. However, Section 14A restricts claim for deduction of expenses in relation to exempt income.

2. Key benefits available to the Members/shareholders of the Company

2.1 Resident Members/shareholders

a) Dividend income:

Dividend (both interim and final), if any, received by the resident shareholders from a Domestic Company shall be exempt from tax under Section 10(34) read with Section 115O of the Income Tax Act,1961. However, Section 14A restricts claim for deduction of expenses in relation to exempt income.

b) Capital gains:

(i) Benefits outlined in Paragraph 1(B) above are also applicable to resident shareholders. In addition to the same, the following benefit is also available to a resident shareholder being an individual or a HUF.

(ii) As per Section 54F of the Income Tax Act,1961, LTCG arising from transfer of equity shares shall be exempt from tax if net consideration from such transfer is utilized within a period of one year before, or two years after the date of transfer, for purchase of a new residential house, or for construction of residential house within three years from the date of transfer and subject to conditions and to the extent specified therein mainly relating to retention of the acquired asset for a period of 3 years.

2.2 Non-Resident Members

a) Dividend Income:

Dividend (both interim and final), if any, received by the non-resident shareholders from a Domestic Company shall be exempt from tax under Section 10(34) read with Section 115O of the Income Tax Act,1961. However, Section 14A restricts claim for deduction of expenses in relation to exempt income, if return of income is filed in India.

b) Capital gains:

Benefits outlined in paragraph 2.1(b) above are also available to a non-resident shareholder except that as per first proviso to Section 48 of the Income Tax Act,1961, the capital gains arising on transfer of capital assets other than the bonds and debentures of an Indian Company need to be computed by converting the cost of acquisition, expenditure incurred in connection with such transfer and full value of the consideration received or accruing as a result of the transfer, into the same foreign currency in which the equity shares were originally purchased. The resultant gains thereafter need to be reconverted into Indian currency. The conversion needs to be at the prescribed rates prevailing on dates stipulated. Further, the benefit of indexation as provided in second proviso to Section 48 is not available to non-resident shareholders.

c) Tax Treaty Benefits:

As per Section 90 of the Income Tax Act,1961, a non-resident shareholder can claim relief in respect of double taxation, if any, as per the provision of the applicable double taxation avoidance agreement entered into by the Government of India with the country of residence of the non-resident shareholder. The assessee has the option to apply the rates in tax treaty or the Indian tax laws, whichever is beneficial.

The benefits under tax treaties are available only if ;

- The transaction is not covered by General Anti-avoidance Rules
- Tax residency certificate is obtained from the Government of resident country
- Submission of Form 10F by the non-resident to the payer

2.3 Special provisions in case of non-resident Indians in respect of income / LTCG from specified foreign exchange assets under Chapter XII-A of the Income Tax Act,1961.

i) Non-Resident Indian ("**NRI**") means a citizen of India or a person of Indian origin who is not a resident. Person is deemed to be of Indian origin if he, or either of his parents or any of his grandparents, were born in undivided India.

ii) Specified foreign exchange assets include equity shares of an Indian company which are acquired/purchased/subscribed by NRI in convertible foreign exchange.

iii) As per Section 115E of the Income Tax Act,1961, income (other than dividend which is exempt under Section 10(34)) from investments and LTCG (other than gain exempt under Section 10(38)) from assets (other than specified foreign exchange assets) shall be taxable @ 20% (plus applicable Surcharge and Education Cess and Secondary & Higher Education Cess). No deduction in respect of any expenditure or allowance or deductions under Chapter VI-A shall be allowed from such Income.

iv) As per Section 115E of the Income Tax Act,1961, LTCG arising from transfer of specified foreign exchange assets shall be taxable @ 10% (plus applicable Surcharge and Education Cess and Secondary & Higher Education Cess).

v) As per Section 115F of the Income Tax Act,1961, LTCG arising on transfer of a foreign exchange asset shall be exempt in case net consideration from such transfer is invested in the specified assets or savings certificates within six months from the date of such transfer, subject to the extent and conditions specified in that section.

vi) As per Section 115G of the Income Tax Act,1961, in case total income of a NRI consists only of income/LTCG from such foreign exchange asset / specified asset and tax thereon has been deducted at source in accordance with the Income Tax Act,1961, then, it shall not be necessary for a NRI to file return of income under Section 139(1) of the Income Tax Act,1961.

vii) As per Section 115H of the Income Tax Act,1961, where a person who is a NRI in any previous year, becomes assessable as a resident in India in respect of the total income of any subsequent year, he may furnish a declaration in writing to the assessing officer, along with his return of income under Section 139 of the Act for the assessment year in which he is first assessable as a resident, to the effect that the provisions of the Chapter XII-A shall continue to apply to him in relation to investment income derived from the specified assets for that year and subsequent years until such assets are transferred or converted into money.

viii) As per Section 115I of the Income Tax Act,1961, the NRI can opt not be governed by the provisions of Chapter XII-A for any assessment year by furnishing return of income for that assessment year under Section 139 of the Income Tax Act,1961, declaring therein that the provisions of this chapter shall not apply, in which case the other provisions of the income tax act shall apply.

2.4 Foreign Institutional Investors (FIIs)

a) Dividend Income:

Dividend (both interim and final), if any, received by the shareholder from a Domestic Company shall be exempt from tax under Section 10(34) read with Section 115O of the Income Tax Act,1961.

b) Capital Gains:

Subject to (i) and (iv) below, the applicable rates of taxes are:

i. As per Section 115AD of the Income Tax Act,1961, income (other than income by way of dividends referred to Section 115O) received in respect of securities (other than units referred to in Section 115AB) shall be taxable at the rate of 20% (plus applicable Surcharge and Education Cess and Secondary & Higher Education Cess). No deduction in respect of any expenditure/allowance shall be allowed from such income

ii. As per Section 115AD of the Income Tax Act,1961, capital gains arising from transfer of securities shall be taxable as follows:

Nature of income Rate of tax	**Percentage (%)**
Long term capital gains on sale of equity share not subjected to STT	10
Short term capital gains on sale of equity shares subjected to STT	15
Short term capital gains on sale of equity shares not chargeable to STT	30

iii. For corporate FIIs, the above tax rates will be increased by a surcharge of 2% on such tax liability in case income exceeds Rs 1,00,00,000 but less than Rs. 10,00,00,000. A 2% education cess and 1% secondary and higher education cess on the total income tax (including surcharge) is payable by all categories of taxpayers. In case the income exceeds Rs 10,00,00,000, the surcharge will be @ 5%. A 2% education cess and 1% secondary and higher education cess on the total income tax (including surcharge) is payable by all categories of taxpayers. The benefits of indexation and foreign currency fluctuation protection as provided by Section 48 of the Income Tax Act,1961 are not available to an FII.

iv. Benefit of exemption under Section 54EC of the Income Tax Act,1961 shall be available as outlined in Paragraph 1(B)(i) above.

v) The government has in principle accepted the recommendation of the AP Shah committee to not pursue cases against foreign institutional investors (FII) involving minimum alternate tax (MAT) levied prior to April 1, 2015. The government will now amend relevant sections of the Income Tax Act in order to make the levy not applicable.

c) Tax Treaty Benefits:

As per Section 90 of the Income Tax Act,1961, a non-resident shareholder can claim relief in respect of double taxation, if any, as per the provision of the applicable double taxation avoidance agreements entered into by the Government of India with the country of residence of the non-resident shareholder. The assessee has the option to apply the rates in tax treaty or the Indian tax laws, whichever is beneficial.

2.5 Mutual Funds

As per the provisions of Section 10(23D) of the Income Tax Act,1961, any income of mutual funds registered under the Securities and Exchange Board of India, Act, 1992 or Regulations made there under, mutual funds set up by public sector banks or public financial institutions and mutual funds registered under the Securities Exchange Board of India Act authorised by the Reserve Bank of India, would be exempt from income-tax, subject to the prescribed conditions.

The Finance Act, 2015 has inserted clause (xviii) to Section 47 of the Act according to which any transfer by a unit holder of a capital asset, being a unit or units, held by him in the consolidating scheme of a mutual fund, made in consideration of the allotment to him of a capital asset, being unit or units, in the consolidated scheme of the mutual fund shall not be considered as transfer for the purpose of Section 2(47) of the Act.

3. Tax deduction at source:

No income tax is deductible on income by way of Capital Gains, in case of residents. As per Section 195 of the IT Act, any income (including capital gains other than long term capital gains exempt under Section 10 (38) of the IT Act) payable to non-resident, may fall within the ambit of with-holding provisions, subject to the provisions of the relevant tax treaty. Accordingly, income tax may have to be deducted at source in the case of a non-resident at the rate prescribed under the domestic tax laws or under the tax treaty, whichever is beneficial to the assessee unless a lower withholding certificate is obtained from the tax authorities.

Under Section 196D of the Income Tax Act,1961, no deduction of tax at source shall be made in respect of capital gains arising on sale proceeds to FIIs on transfer of equity shares.

Notes:

a) All the above benefits are as per the current tax law and will be available only to the sole/first names holder in case the equity shares are held by joint holders.

b) The above Statement of Possible Direct Tax Benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of equity shares.

c) All the above benefits are as per the current tax laws (including amendments made by the Finance (No. 2) Act 2015, legislation, its judicial interpretation and the policies of the regulatory authorities are subject to change from time to time, and these may have a bearing on the benefits listed above. Accordingly, any change or amendment in the law or relevant regulations would necessitate a review of the above.

d) Several of these benefits are dependent on the company and its shareholders fulfilling the conditions prescribed under the provisions of the relevant sections under the relevant tax laws.

e) Transactions between non-residents may be subject to Capital gains tax in India on indirect transfer of shares in India if it falls within the ambit of Section 9(1)(i) and other applicable domestic Act sections and relevant DTAA provisions. Investor should take expert advice on this aspect.

f) Obtaining a Permanent Account Number (PAN) is now a requirement for almost all transactions. Investor is advised to obtain it; otherwise, the tax deducted at source as per Section 206AA shall be calculated as the highest amongst the rate specified in the relevant provision of the Income Tax Act,1961, the rate in force and a flat rate of 20 per cent.

g) Ideally the Investor should file Return of Income in India, specifically so in cases where any Indian taxes are payable or refunds are to be obtained.

SECTION IV- ABOUT THE COMPANY

INDUSTRY OVERVIEW

Unless noted otherwise, the information in this section is derived from ―Industry Report on "Renewable Energy Sector – Trends & Outlook" a customised report issued by ICRA Ltd. ("ICRA"). Our Company, the Lead Manager and any other person connected with the Issue has not independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Accordingly, investors should not place undue reliance on, or base their investment decision on this information.

All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable. The information provided by ICRA is 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies, while publishing or otherwise disseminating other reports may have presented data, analyses and/or opinions that may be inconsistent with the data, analyses and/or opinions presented in this publication. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents. The report issued by ICRA is for the information of the intended recipients only and no part of the said report may be published or reproduced in any form or manner without prior written permission of ICRA.

Economic Outlook

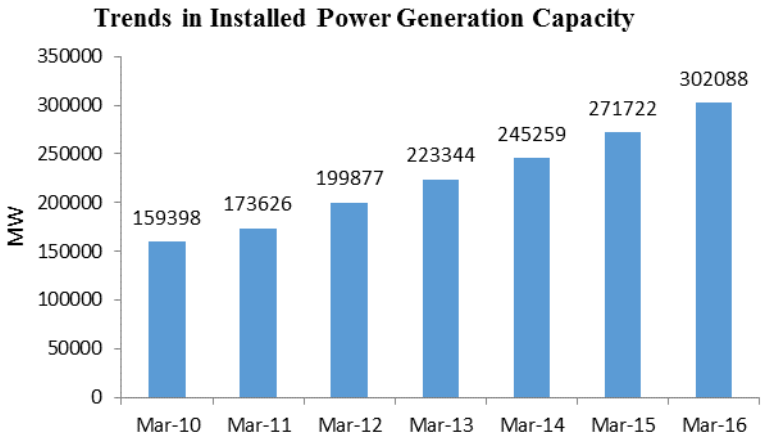
INDIAN ECONOMIC OVERVIEW

Growth of India's GDP (at constant 2011-12 prices) is estimated by the CSO to have improved to 7.6% in FY2016 (according to Advance Estimates released in February 2016) from 6.6% in FY2014 and 7.2% in FY2015. Moreover, growth of Gross Value Added (GVA) at basic prices (at constant 2011-12 prices) is expected to have risen to 7.3% in FY2016, from 5.4% in FY2014 and 6.3% in FY2015. However, the recovery in economic activity has been uneven and narrowly focused in areas such as roads, railways and power transmission, some of which benefitted from the robust capital spending by the Government of India (GoI).

India's GDP growth is expected to improve modestly to 7.8% in FY2017 from ICRA's projection of 7.4% for FY2016, benefitting from an anticipated pickup in domestic consumption. The Union Government's Budget Estimates (BE) for 2016-17 indicate continued fiscal consolidation, with a reduction in the fiscal deficit to 3.5% of GDP.

ENERGY SECTOR OVERVIEW IN INDIA

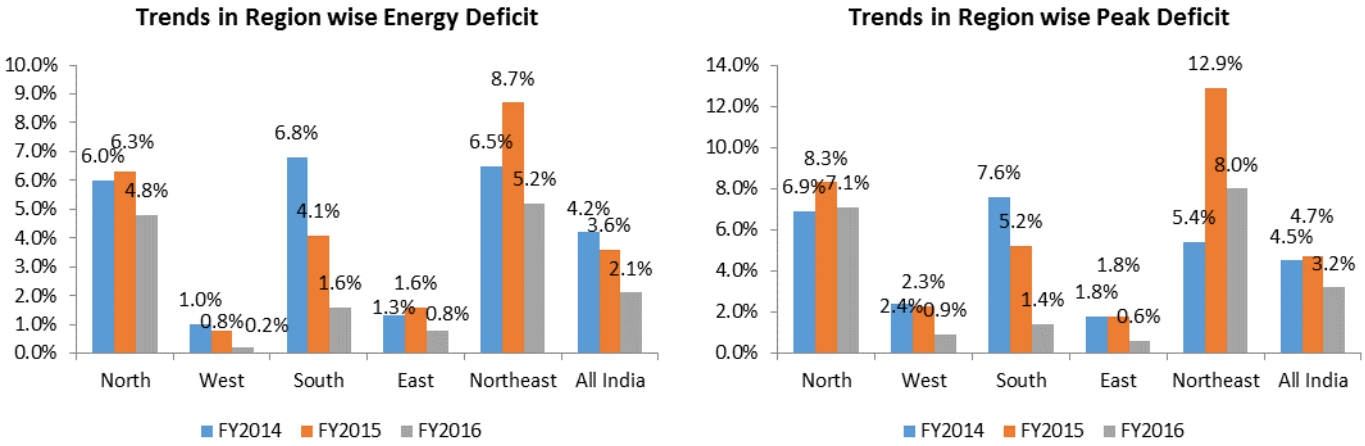
The overall installed power generation capacity in the country has increased from 159,398 MW as on March 31, 2010 to 302,088 MW as on March 31, 2016 (CAGR of 11%), aided by large investments during the 11th plan period (2007-2012) and ongoing 12th plan period (2012-2017), especially from the private sector. This is subsequent to the enactment of Electricity Act, 2003 which encouraged large scale investments in the power sector. As a result, the share of private power generating companies in the overall installed power generation capacity has increased from 13% as on March 31, 2007 to 41% as on March 31, 2016 and remains the highest in the ownership mix of installed generation capacity.



Source: ICRA research, CEA

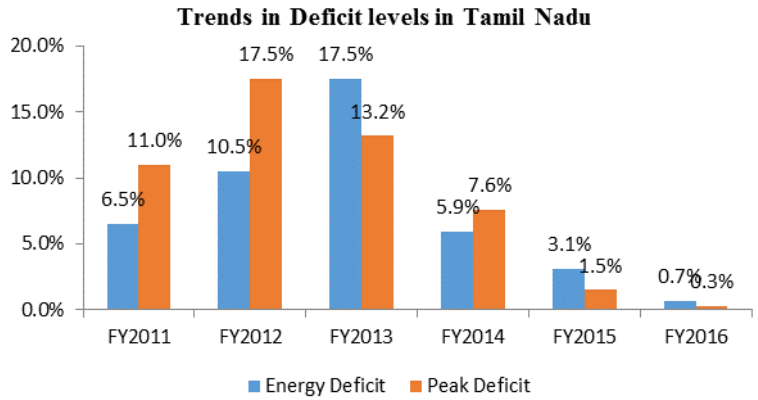
Energy Demand Supply Scenario in India

Despite an increase in the power generation capacity from 159,398 MW as on March, 2010 to 302,088 MW as on March 31, 2016, the demand supply gap has persisted in India. Nonetheless, the all India energy deficit level has reduced to 2.1% (which is equivalent to 23 billion units) during FY2016, as compared to 3.6% (which is equivalent to 38 billion units) during FY2015 and is lower than the 4.2% reported during FY2014. This decline in deficit levels can be attributed to improved energy availability led by sizeable capacity addition in the thermal segment.



Source: ICRA research, CEA

The peak deficit level during FY2016 also reported a decrease to 3.2% (equivalent to 4903 MW) from that at 4.5% (equivalent to 7006 MW) during FY2015. This can be attributed to relatively low peak deficits in a few states such as Tamil Nadu, Telangana and Andhra Pradesh. Overall 11 out of 29 states had peak deficit higher than the all India average during FY2016. Nonetheless peak deficit level on all India basis has remained significantly lower (i.e. average 3.9%) in FY 2015 & FY 2016 as compared with the past periods (average at 8.5% for the period between FY2011 and FY2014) which is mainly due to improved availability of power led by capacity addition and continued pattern of subdued demand from Industrial segment.

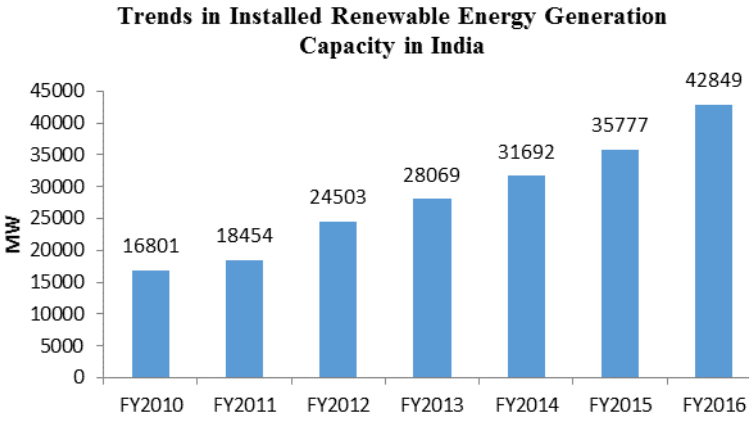


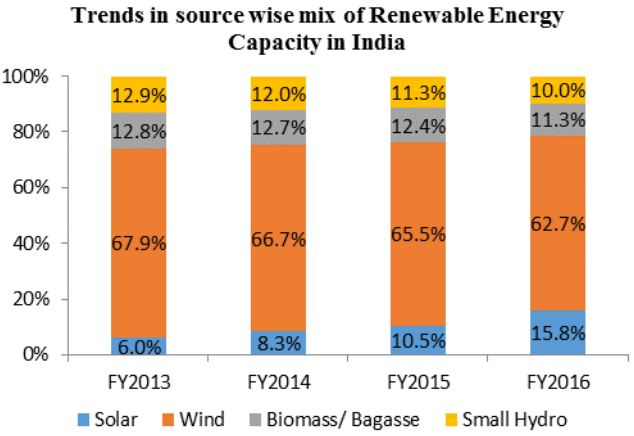
The energy deficit level in Tamil Nadu has declined to 0.7% (equivalent to 0.69 billion units) FY2016 from the peak level of 17.5% (equivalent to 16 billion units) seen during FY2013. Also, the peak deficit level has declined to 0.3% in FY2016 from the high of 13.2% in FY2013. The decline in deficit levels can be attributed to the slowdown in demand growth and also availability of electricity from new capacities in the thermal segment as well as commissioning of the 1000 MW Nuclear power plant in Kudankulam, Tamil Nadu. A major share of the generation from this nuclear power plant is being supplied to Tamil Nadu.
The long-term demand outlook for electricity in India remains strong given the low per capital electricity consumption at 760kwh in 2012. This is much lower than the average per capita electricity consumption in developed countries such as USA, Australia, France and Germany and also as compared to the other BRICS nations (Brazil, Russia, China and South Africa). Further the latent demand potential is significant in India given that a large section of population (300 Million) is without access to electricity and the constrained supply to rural / urban parts of the country by the state owned discoms due to their own limited paying capacity. This provides for significant growth potential for electricity consumption in India and in turn for addition of generation capacity.

Trends in Fuel mix of installed capacity
In terms of fuel mix, the overall installed capacity constitutes 61% coal based capacity as on March 31, 2016 which increased from 54% as on March 31, 2007. The domination of coal based generation mix in the overall installed capacity can be attributed to the large availability of coal reserves in India coupled with the limited availability of petroleum reserves, geological challenges for hydro capacity and political challenges in implementing nuclear energy. While the share of hydro and gas based capacity has come down during this period. However, the share of renewable energy capacity has increased from 6% as on March 31, 2007 to 14% as on March 31, 2016 led by increased investment in wind energy sector and lately in the solar power sector.

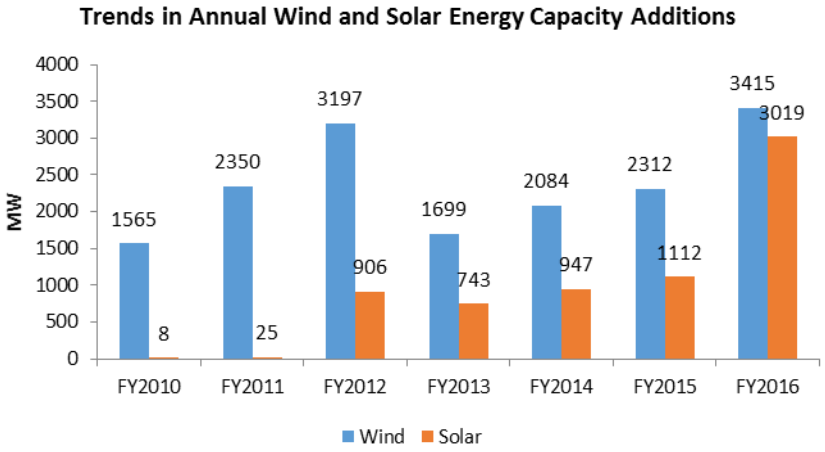
RENEWABLE ENERGY SECTOR

The installed renewable energy based power generation capacity in India has increased from 16801 MW as on March 31, 2010 to 42849 MW as on March 31, 2016, led by large capacity additions in the wind based installations whose share in the overall renewable energy based capacity remains the highest at 62.7% as on March 31, 2016. This however has declined from about 67.9% seen at the end of FY2013 on account of increase in the share of solar based installations over the past 3-4 years subsequent to the launch of the National Solar Mission by Government of India. The share of other renewable sources such as biomass and small hydro in the overall renewable energy based capacity has come down marginally to 11.3% and 10.0% respectively as on March, 2016 from 12.8% and 12.9% respectively at the end of FY2013.





Trends in Wind & Solar based Capacity Addition in India



Source: ICRA research, MNRE, CEA

As on March 2016, installed wind energy based capacity stood at 26,867 MW which accounted for 8.9% of the overall installed capacity in the country, while solar capacity stood at 6763 MW accounting for 2.2% of the overall installed power generation capacity in the country. The wind power sector has witnessed record capacity addition of 3415 MW during FY2016, increasing by 48% over the capacity addition of 2308 MW achieved during FY2015 and also exceeding the target set by MNRE for FY2016 at 2400 MW. This growth in the wind sector was led both by the IPP segment with its focus on feed-in tariff based PPAs and by the non-IPP segment with the re-introduction of the accelerated depreciation benefit by GoI in the Union Budget presented in July 2014.

A major portion of the wind energy capacity addition during FY2016 was driven by new projects in the state of Madhya Pradesh, given the attractive tariff (which was highest among all the major states with large wind energy potential at ₹ 5.92 per unit) being offered in the state in the period leading up to March 31, 2016. Prior to the withdrawal of the AD benefit in March 2012, wind energy capacity additions were primarily driven by corporate customers and financial investors looking to avail tax depreciation benefits. However in the subsequent years, the demand from this segment has significantly reduced and the capacity additions have been mainly driven by the IPP segment, supported by policy and regulatory focus on renewable energy through measures such as National Action Plan on Climate Change (NAPCC), Renewable Purchase Obligation (RPO) requirement,

Renewable Energy Certificate (REC) framework and upward revision in feed-in wind tariffs for wind energy across the key states having wind energy potential.

In respect of solar energy segment, share of solar based capacity within the renewable energy segment has improved considerably from almost negligible levels as on March 2010 to 15.8% as on March 2016. The growth has been driven by favorable policy support both by the GoI as well as improving regulatory framework by Central Electricity Regulatory Commission (CERC) and State Electricity Regulatory Commissions (SERCs). In addition reduction in capital costs for solar power projects resulting in improved cost competitiveness has also played a role. Some states like Gujarat, Rajasthan, Andhra Pradesh, Madhya Pradesh, Chhattisgarh, Haryana, Jharkhand, Maharashtra, Odisha, Tamil Nadu, Telangana and Karnataka have also come out with favorable policies to support the sector. The solar power capacity addition stood at 3019 MW in FY2016, reporting a significant jump of 171% as against the capacity addition of 1112 MW in FY2015, driven by capacity additions in the states of Andhra Pradesh, Madhya Pradesh, Tamil Nadu and Telangana. GoI has also now significantly revised its solar based capacity addition target under Jawaharlal Nehru National Solar Mission (JNNSM) from 22 GW to 100 GW (which includes 40 GW of off-grid / roof-top based installations and 60 GW of grid connected utility scale solar projects). As on March 7, 2016, Rajasthan accounted for 21.9% of overall solar energy based capacity (5775 MW) in the country followed by Gujarat with 17.7% share and Madhya Pradesh with 11.7% share.

Demand outlook & Capacity Requirements

The National Institute of Wind Energy (NIWE – formerly C-WET) has reassessed the wind potential in India at 100 m hub height based on latest available wind data and actual land availability using data sources of National Remote Sensing Centre, Indian Space Research Organization (ISRO). As per the latest study, NIWE has estimated the all India wind power potential as 302 GW, which is threefold increase from the estimated potential of 103 GW at 80 m hub height. The estimated wind potential is 302 GW at 100m hub height while the actual installed wind power capacity stands at 26.9 GW as on March 31, 2016 resulting in untapped wind power potential of 275 GW.

A large part of the India's wind energy potential is situated in a few states in Southern and Western parts of India such as Gujarat, Maharashtra, Rajasthan, Karnataka, Tamil Nadu, Andhra Pradesh, Telangana and Madhya Pradesh. These states account for almost 98% of the country's wind potential and also 99.8% of the wind capacity installed as on March 2016. Wind energy potential in India has been harnessed to the extent of only about 9% of the overall estimated potential, even though Tamil Nadu, Rajasthan and Madhya Pradesh have made considerable progress in harnessing the potential with installed capacity being more than 21% of the estimated potential. The harnessed potential is considerably low in states such as Andhra Pradesh/Telangana, Gujarat and Karnataka wherein the untapped potential is more than 90%. Nonetheless Maharashtra has made some progress in installing wind power stations with the installed wind power capacity being 10% and above of the estimated potential.

State	Estimated capacity at hub height of 100 m (in GW)	Installed Capacity as on March 31, 2016 in GW	% Untapped Potential
Andhra Pradesh/ Telangana	48.5	1.5	97%
Gujarat	84.4	4.0	95%
Karnataka	55.9	2.9	95%
Madhya Pradesh	10.5	2.2	79%
Maharashtra	45.4	4.7	90%
Rajasthan	18.8	4.0	79%
Tamil Nadu	33.8	7.7	77%
Others	5.0	0.05	99%
Total	**302.3**	**26.9**	**91%**

Source: MNRE, Indian Wind Turbine Manufacturers Association, ICRA research

With a strong focus on promotion of renewable energy and also in view of the multiple challenges associated with traditional sources of energy over the past 3-4 years, the Government of India has initiated measures to augment renewable energy capacity with a target to achieve 175 GW of installed renewable capacity by FY2022. The 175 GW is proposed to comprise of 100 GW solar power generation capacity, 60 GW wind power generation capacity, 10 GW biomass power generation capacity and 5 GW small hydropower generation capacity. The target for wind power capacity is primarily among the seven wind rich states, while the solar capacity is distributed across the states with major contribution from Andhra Pradesh/Telangana, Gujarat, Haryana, Karnataka, Madhya Pradesh, Maharashtra, Punjab, Rajasthan, Tamil Nadu, Uttar Pradesh and Uttarakhand.

The NAPCC, released in June 2008 by the Government of India, has suggested a roadmap for increasing the share of renewable energy in the country's total generation capacity, and has recommended the minimum renewable energy purchase obligation (RPO) target at 5% of the overall energy requirements in FY2010, with a 1% year-on-year (y.o.y) increase for the next 10 years, i.e. 15% by end of FY2020. Subsequently, JNNSM was launched in January 2010, with an objective of augmenting solar energy based capacity to 22,000 MW by FY2022 in three phases. Later in January 2011, the National Tariff Policy was amended to prescribe solar-specific RPO to be increased from a minimum of 0.25% in FY2012 to 3% by FY2022 (as also suggested under JNNSM). In January 2016, the GoI revised the solar RPO target from 3% to 8% by FY 2022 so as to be in line with the revised solar capacity installation targets of 100,000 MW by FY2022.

Incremental Wind Capacity Requirement by FY2022 to meet NAPCC RPO target						
	FY2017	**FY2018**	**FY2019**	**FY2020**	**FY2021**	**FY2022**
Energy Demand (MU) (demand growth at 7%)	1,192,231	1,275,688	1,364,986	1,460,535	1,562,772	1,672,166
Overall RPO [Assumption]	9.00%	10.00%	11.00%	12.00%	12.00%	12.00%
Solar RPO	1.00%	1.20%	1.50%	1.75%	2.00%	2.00%
Non-Solar RPO	8.00%	8.80%	9.50%	10.25%	10.00%	10.00%
Non-Solar RE Capacity requirement in MW (at average PLF of 22%)	49,491	58,251	67,286	77,680	81,090	86,767
Assumption of Wind Energy Mix in Non-Solar RE	74%	74%	74%	74%	74%	74%
Cumulative Wind Capacity Requirement	36,623	43,105	49,792	57,483	60,007	64,207
Cumulative Incremental requirement by FY2022			**37,438 MW**			

State wise Cumulative Solar Capacity Requirement Estimates by FY 2022 to meet Solar RPO targets			
	Energy Demand (MU) in FY 2015	**Solar Capacity Required (MW) to meet Solar RPO of 3% by FY 2022**	**Solar Capacity Required (MW) to meet Solar RPO of 8% by FY 2022**
Gujarat	96,235	1,785	6,428
Maharashtra	134,897	3,573	10,081
Madhya Pradesh	53,374	993	3,568
Andhra Pradesh	59,198	1,454	4,310
Tamil Nadu	95,758	2,620	7,239
Uttar Pradesh	103,179	2,923	7,901
Punjab	48,629	1,221	3,567
Rajasthan	65,717	1,254	4,113
Telangana	43,337	649	3,345
Karnataka	62,643	1,736	4,758
Cumulative Solar Capacity Requirement by FY 2022 - Key States		**18,504**	**55,309**

Key Challenges for Renewable Energy Sector in India

Preferential tariff norms by SERCs in key states having wind resource potential vary and are inconsistent with CERC's generic tariff norms: Among the seven key states which contribute about 98% of overall wind potential in the country, except Maharashtra, & Rajasthan, none of the states have adopted CERC's tariff principles based on wind power density (WPD) specific zones, while SERCs in other states (which have a low wind potential) such as Haryana, Uttarakhand, Orissa & Punjab have followed CERC's tariff principles. The preferential tariff regulations by SERCs stipulate a specific control period (usually of up to three /five year) during which the estimated tariff remain fixed, unlike CERC's generic tariff norms where tariff is revised for every year of the control period. This implies that tariff estimation does not take into account the impact of inflation/indexation on the cost structure during this period. Also, tariff norms in respect of normative assumptions for capital cost as well as O&M and finance cost vary across the states, as against the same as outlined by CERC. In addition, preferential tariffs in few of the states do not factor the adjustment in tariff, in case the project developer avails the benefit of higher depreciation.

RPO norms vary across the States and continue to remain lower than norms prescribed under NAPCC across majority of the states: SERCs in 21 out of the total 29 states have put in place regulations (including draft RPO regulations) stipulating RPO norms till FY2017, which are required to be met by the obligated entities, including distribution licensees, group captive and open access consumers. Of the remaining states, SERCs in some of the states such as Uttar Pradesh, Bihar and Arunachal Pradesh have put in provisions for continuation of the RPO for subsequent years at the levels approved for FY2013, FY2015 and FY2015 respectively, i.e. until new RPO norms are approved by them. Further, the RPO norms continue to vary across the states in terms of both, quantum of RPO and also the period of RPO trajectory approved by the SERCs. The RPO levels vary from 2.00% to

12.50% in FY2017. Also, SERCs in only 13 out the 29 states have stipulated RPO norms till FY2019, while only 6 states have stipulated RPO norms till FY2022 (including draft regulations). Further, the RPO levels for majority of the states continue to remain lower than the RPO trajectory suggested under NAPCC (which specifies a minimum RPO target of 5% in FY2010, to be increased by 1% every year for a period of 10 years to reach 15% by FY2020). SERCs in only 3 states i.e. Himachal Pradesh, Karnataka (draft) and Tripura have stipulated RPO norms at greater than or equal to the target of 12% as suggested by NAPCC in FY2017. On the contrary, RPO levels in 11 states still remain less than or equal to 6.0% (i.e. 50% of RPO target level as suggested by NAPCC for FY 2017).

Weak compliance of RPO norms continues to adversely affect the demand for RECs: One of the key demand drivers for wind and solar power capacities is the compliance of RPO norms by the obligated entities, including discoms. However, the RPO compliance remains weak across majority of the states. This is owing to weak enforcement of the RPO norms by the SERCs and also unwillingness of the discoms to meet the RPO norms through procurement of RECs. This is despite the fact that SERCs in some of the states have directed the distribution utilities to purchase RECs to meet any shortfall in achieving the RPO target from available RE sources and the cost of such RECs has been included as part of the annual revenue requirement. Owing to weak compliance of RPO norms as well as inadequate monitoring of the RPO compliance by state nodal agencies and SERCs, demand for RECs from obligated entities has been adversely affected over the last 3-4 year period. As a result, the non-solar REC prices have continued to remain depressed i.e. at the floor price of ₹ 1500 per REC since August 2012, declining from ₹ 2201 per REC observed in April, 2012. Cleared volume as a proportion of sell bids for non-solar RECs declined to 2.6% in FY2015 from that of 22.1% in FY2013. While there has been some improvement during the last four months of FY2016, the cleared volume as a proportion of sell bids for non-solar RECs continuous to remain low at 2.8% in FY2016. Weak compliance of the RPO norms in turn, has impacted the cash flow position of REC based projects. The inventory of unsold non-solar REC inventory remains high at 13.18 million (which is equivalent to ₹ 19.77 billion at floor price levels) as on April 30, 2016, increasing from 10.58 million as on March 31, 2015. The solar REC inventory stands at ~3.41 million as of April 30, 2016 up from ~1.58 million in March 2015. At the floor price of ₹ 3,500/REC it sums up to more than Rs 11.93 billion.

Exposure to counter party credit risks with respect to state owned distribution utilities

State owned distribution utilities or distribution licensees, being key obligated entities to meet RPO norms, are off-takers for wind and solar energy projects in most cases. Wind and solar energy generation companies / IPPs remain exposed to counter party credit risk, given that utilities in majority of the states have weak financial profile and expose the project developers to counter-party credit risks especially given that the tariff rates for wind and solar projects still remain relatively higher than tariffs for conventional fuel based projects. The median cost coverage ratio for distribution segment still remains below 0.9 times for FY2014 and accumulated book losses for the distribution utilities is estimated at about ₹ 3.5 trillion as on March 2014. While discoms with relatively stronger credit profile as in Gujarat have been meeting their payments in a prompt manner, delays of up to four to six month have been witnessed for RE projects with weaker state utilities such as in Tamil Nadu, Rajasthan, Uttar Pradesh & Madhya Pradesh in the past periods. ICRA hence notes that the fundamental improvement in the financial position of the discoms, which are the principal obligated entities to meet the renewable portfolio obligation norms, remains crucial for the renewable energy sector, which in turn will enable these entities to honor their RPO norms in a more sustained manner.

Given the weak financial profile of the state electricity distribution segment, the GoI has approved UDAY, the acronym for Ujwal DISCOM Assurance Yojana, on November 5, 2015 with the objective of financially turning around State-owned distribution companies. This scheme intends to achieve this by: (a) reducing the interest cost of discoms principally through takeover of 75% of their debt (50% in H2 FY2016 and 25% in FY2017 by the respective State governments and reducing the interest rate for the balance 25%, (b) improving the operational efficiencies of the discoms via reduction in AT&C loss levels, (c) reducing the cost of power purchase of discoms by improving the supply of domestic coal to power generating companies and (d) enforcing financial discipline on discoms through alignment with State finances. In addition, the scheme envisages benefits such as (a) access to additional/priority funding for implementation of capital expenditure schemes, and (b) higher availability of cheaper linkage coal and low-cost power from central public sector undertakings, subject to the performance milestones being met. There are however no explicit cash incentives to State governments for debt takeover or loss reduction under this scheme.

State governments in 18 States - Andhra Pradesh, Bihar, Chhattisgarh, Gujarat, Haryana, Himachal Pradesh, Jammu & Kashmir, Jharkhand, Madhya Pradesh, Maharashtra, Odisha, Punjab, Rajasthan, Uttarakhand and Uttar Pradesh - have agreed in principle to participate in UDAY. Within this, ten States, namely, Bihar, Chhattisgarh, Haryana, Gujarat, Jharkhand, Jammu & Kashmir, Punjab, Rajasthan, Uttarakhand and Uttar Pradesh (accounting for ~45% of overall debt on the books of discoms as on September 2015), have signed MoUs with the Ministry of Power for implementation of the scheme. During FY2016, State governments in eight states have issued bonds amounting to ₹ 98.96 billion towards takeover of debt on the books of the discoms. While the coal

reform measures such as coal swapping and linkage rationalization are expected to be driven more by efforts at the Ministry of Coal, achieving reduction in AT&C losses, demand-side interventions and savings in interest costs would call for sustained efforts by the State governments and discoms. Besides, improving the financial profiles of the discoms would require adequate and timely tariff revision by the SERCs concerned, along with periodic pass-through of fuel and power purchase cost fluctuations and timely and adequate subsidy release by the State governments.

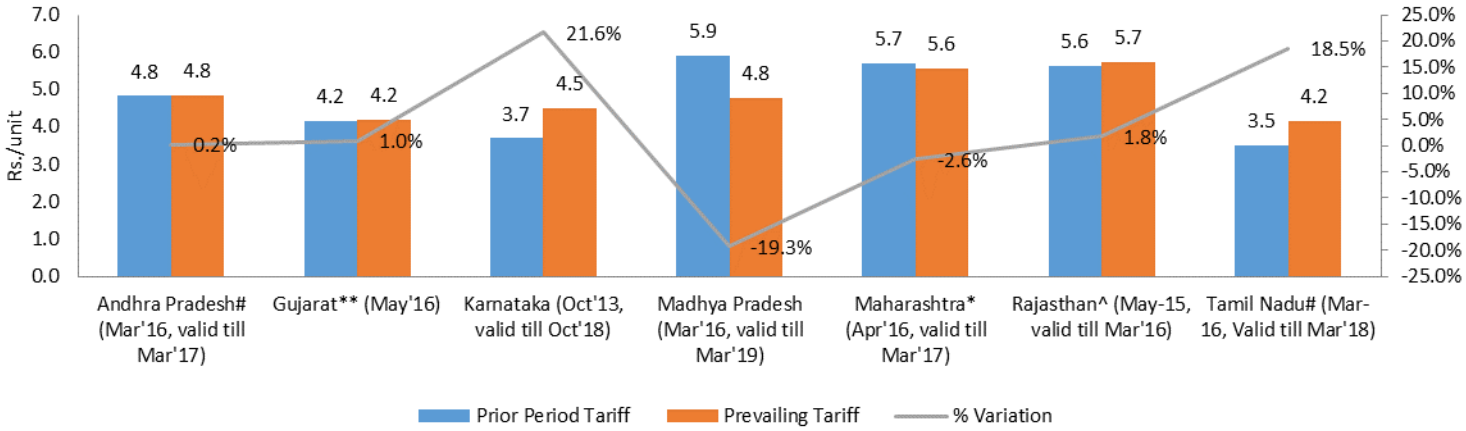
Key Growth Drivers for Renewable Energy Sector in India

Favorable policy and regulatory framework in place for Renewable Energy sector

A. Regulatory Framework: CERC plays a key role in enabling the regulatory framework for renewable energy. Generic terms for determination of tariff for power procurement from renewable energy based sources as laid out by CERC, serve as guiding principle for tariff determination by the SERCs. In line with the requirements of Electricity Act-2003, CERC came out with generic tariff norms for the wind energy sector in September 2009 and subsequently, SERCs in all the key states (with wind energy potential) have issued preferential tariff regulations. CERC in the past has issued the tariff regulations for renewable energy projects in September 2009 as well as tariff orders for the initial control period of three years (FY2010 - FY2012), thereafter the second control period has been set for five years by CERC starting from FY2013. The latest order for generic tariff norms was issued in April 2016 for projects to be commissioned in FY2017. The key features of generic tariff norms by CERC include [a] single part tariff levellised over the useful period of project, which is 25 years for wind power projects; however, the PPA period for wind power projects is 13 years [b] Capital cost during the control period of five years (starting from FY2013) is determined based on indexation of normative capital cost with wholesale price index of steel and wholesale price index of electrical machinery [c] the tariff estimation for wind project is specific to the wind power density (WPD) in the location in accordance with the assessment study of C-WET and normative operating cost parameters. Nonetheless, option is open for project-specific tariff for new RE technologies [d] Remunerative 20% pre-tax return on equity (RoE) for the first 10 years and 24% pre-tax RoE for the remaining 15 years and [e] The tax benefit of higher level of depreciation / accelerated depreciation, if availed by the developer would be considered for tariff estimation (so that the tariff in such cases is net of higher depreciation benefit) so as to keep the overall pre-tax return on equity at the same level.

Mixed trend in revision in preferential feed-in tariff by SERCs for wind projects during FY2017; also the norms remain inconsistent across states: SERCs in most of the states have issued preferential tariff regulations for wind energy projects. Average preferential tariffs approved by SERCs are usually of ‘single part’ nature based on the normative principles and vary between ₹ 4.2/kwh to ₹ 5.7/kwh across states, depending upon the assumptions w.r.t. PLF as well as cost parameters (capital & operating related).

Trends in feed-in tariffs across the key states having wind potential



*#Tariff without AD beneift, *Tariff for wind zone-1 without AD benefit, ^Tariff in Jaisalmer, Jodhpur and Barmer districts without AD benefit, **Proposed; Source: ICRA research, Tariff orders by SERCs*

SERCs in the states of Andhra Pradesh, Madhya Pradesh, Maharashtra and Tamil Nadu have revised the preferential feed-in tariff by 0.2%, -19.3%, -2.6% and 18.5% respectively for the new wind projects in their respective states to be commissioned w.e.f April 1, 2016. In case of the Madhya Pradesh, the steep downward revision in wind tariff is owing to revision in normative PLF assumption from 20% to 23% coupled with the downward revision in normative capital cost assumption. The downward tariff revision in Maharashtra for wind power projects commissioned during FY2017 is owing to revision in normative assumptions related to escalation rate for O&M costs and interest costs. The upward tariff revision in Tamil Nadu is led by revision normative assumption related to capital cost, O&M cost and higher interest costs coupled with the adoption of levellised tariff as against the SERCs in the states of Andhra Pradesh, Madhya Pradesh, Maharashtra and Tamil Nadu have revised the preferential feed-in tariff by 0.2%, -19.3%, -2.6% and 18.5% respectively for the new wind projects in their respective states to be commissioned w.e.f April 1, 2016. In case of the Madhya Pradesh, the steep downward revision in wind tariff is owing to revision in normative PLF assumption from 20% to 23% coupled with the downward revision in normative capital cost assumption.The downward tariff revision in Maharashtra for wind power projects commissioned during FY2017 is owing to revision in normative assumptions related to escalation rate for O&M costs and interest costs. The upward tariff revision in Tamil Nadu is led by revision normative assumption related to capital cost, O&M cost and higher interest costs coupled with the adoption of levellised tariff as against the earlier norm of using average tariff over the life of the project. The SERC in Andhra Pradesh has approved the tariff for FY2017 at ₹ 4.84 per unit, which is similar to the tariff approved for FY2016 at ₹ 4.83 per unit. The SERC in Gujarat has floated a discussion for determining tariff for wind power projects commissioning in the next control period (previous tariff was valid till March 31, 2016) and has proposed to revise the tariff to ₹ 4.19 per unit as against the earlier tariff of ₹ 4.15 per unit. SERC in Rajasthan is yet to issue the tariff orders for wind power projects to be commissioned in FY2017. In case of Karnataka, the tariff is valid till October 2018.

Renewable Purchase Obligation Norms in place by SERCs: Both the Electricity Act, 2003 & National Tariff Policy, 2006 have stipulated provision of RPO i.e. a certain fixed proportion out of the overall energy requirements in the distribution licensee area is to be sourced from renewable energy sources. Subsequently, the NAPCC released in June 2008 by the Government of India suggested a minimum renewable purchase target of 5% of the total energy procurement in FY2010, to be increased by 1% every year for a period of 10 years to reach 15% by FY2020. Over the last three-five year period, SERCs in many of the states have put in place regulations for compliance of RPO norms which are required to be met by the obligated entities. As per the RPO regulations, the obligated entities are distribution licensees, group captives and customers availing open access. The RPO norms can be met by the obligated entities either by entering into PPAs with renewable energy assets and/or by purchasing RECs. RPO regulations laid out by SERCs also specify the provision of RPO regulatory charges to be paid by the obligated entity, in case it fails to comply with the RPO target and as per the same, SERC may direct the obligated entity to deposit a certain amount as SERC may determine on the basis of the shortfall in units of RPO, and the forbearance price of REC as decided by the CERC; separately in respect of solar and non-solar RPO. However, RPO levels vary widely across the states, given that overall RPO levels vary from 2.00% to 12.50% in FY2017 across the states.

Renewable Energy Certificate (REC) framework in place to facilitate the obligated entities to meet the RPO targets set by

SERCs: CERC introduced the REC mechanism in January 2010 to promote the development of renewable energy and to facilitate obligated entities to meet the RPO targets set by the respective SERCs. Under this mechanism, obligated entities which are unable to meet the RPO targets can meet the shortfall by purchasing RECs from renewable energy generators in other states. For eligibility under the REC framework, renewable projects: (a) would require accreditation from the state agency as notified by the SERC concerned; (b) will not have any PPA with distribution utility at a preferential tariff determined by the SERC; and (c) will sell the electricity generated either to the distribution licensee of the area in which the eligible entity is located, at a price not exceeding the average pooled purchase cost (APPC) of such distribution licensee, or to any other licensee or to an open access consumer at a mutually agreed price, or through power exchange at the market-determined price. RECs are of two types – a) solar RECs for solar power generators and b) non-solar RECs for other renewable power generators. CERC has set the price range for the RECs, called the cap price and floor price, which is determined separately for solar and non-solar RECs. One REC is equivalent to 1000 kWh. The RECs are traded on the power exchanges for market-based price discovery based on the actual demand and supply situation, although subject to the price range i.e. floor & cap levels as set by CERC. Currently, the floor and cap price for non-solar REC is at ₹ 1.5/unit and ₹ 3.3/unit respectively, while for solar REC the floor and cap price is ₹ 3.5/unit and ₹ 5.8 per unit respectively. These are valid till March 31, 2017.

B. Policy Framework: As mentioned earlier, GoI has recently scaled up the target for capacity addition in renewable energy sector to 175 GW by FY 2022. Target for cumulative capacity of 175 GW comprises of 100 GW of solar capacity [which is mix of 60 GW as utility scale and 40 GW as roof-top based], 60 GW of wind based capacity, 10 GW of biomass based capacity and balance being small hydro. For solar energy segment, cumulative capacity target has been considerably increased from earlier level of 22 GW to 100 GW by FY2022. Policy support in respect of solar energy segment for development of grid connected solar capacity continues to remain strong and GoI has provided support essentially in two modes so far i.e. 1) mechanism of "bundling" of solar power with relatively inexpensive thermal power from the unallocated quota of CPSUs and 2) mechanism of providing Viability Gap Funding (VGF) to make available solar power at reduced price.

C. Fiscal Benefits & Tax Incentives:

Generation Based Incentive

In December 2009, Government of India introduced a Generation Based Incentive (GBI) scheme for grid connected wind power projects for promoting the development of wind power projects with an objective of facilitating investments through the IPP route and provides a transition from investment based incentive to an outcome based incentive. This scheme provided an incentive of 50 In December 2009, Government of India introduced a Generation Based Incentive (GBI) scheme for grid connected wind power projects for promoting the development of wind power projects with an objective of facilitating investments through the IPP route and provides a transition from investment based incentive to an outcome based incentive. This scheme provided an incentive of 50 paise for every unit generation by wind power projects commissioned between December 2009 and March 2012 with a cap of ₹6.2 million per MW over a 10 year period subject to a maximum benefit of ₹1.55 million per MW during any one year. Subsequently, this benefit was discontinued w.e.f April, 2012. Later in February 2013, the GBI scheme was reinstated by Government of India by allocating ₹8 billion towards the same in the Union budget for FY2013-14. In September 2013, the scheme was formally notified by Government of India and subsequently in December 2013, the operational guidelines for the implementation of the scheme were issued by the nodal agency i.e. IREDA (Indian Renewable Energy Development Agency). The scheme is available for projects commissioned on or after April 1, 2012 and for the entire 12th plan period. Incentive will be provided at the rate of 50 paise per unit of electricity injected into the grid by wind power projects for a period of up to 10 years with a cap of ₹ 10 million per MW (as against ₹ 6.2 million per MW) , subject to a maximum benefit of ₹ 2.5 million in any one year.

Accelerated depreciation benefit

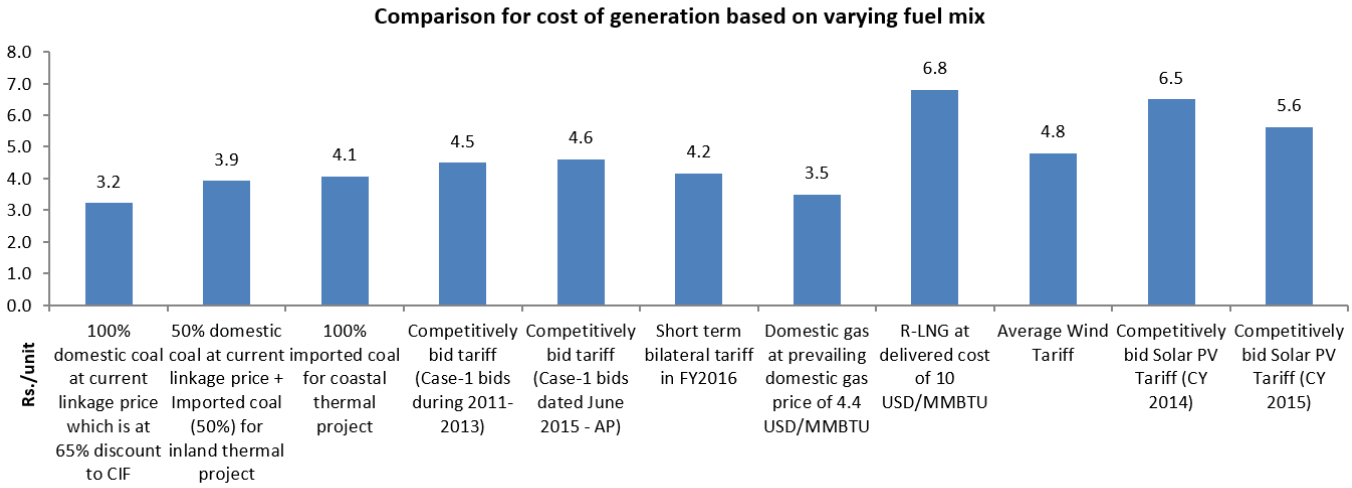
Accelerated depreciation of 80% for tax purpose is the key financial incentive for non-IPP segment. Also, an additional 20% depreciation has been allowed for the first year of operations. CERC in its order dated April 2016 has estimated the benefit from accelerated depreciation to be equivalent to ₹ 0.60/kWh (levellised) for solar PV project and ₹ 1.25/kWh (levellised) for solar thermal project. In case of wind power projects, CERC has estimated the levellised benefit from accelerated depreciation to be in the range of ₹ 0.44 per unit to ₹ 0.71 per unit as the wind PLF varies from 32% to 20%. However the accelerated depreciation benefit shall be reduced to 40% from April 2017 onwards which will impact the benefit of AD for non-IPP segment.

Income tax benefits

As per Section 80 IA of the Income Tax Act, power projects are entitled for 10 year tax holiday; however, MAT (minimum alternate tax) is applicable at the rate of 18.5% (plus surcharge at 12% and education cess at 3%) on the book profits during this

period.

Improving cost competitiveness of renewable energy (Wind & Solar PV) against the conventional fuel sources



Source: ICRA research

The cost of generation for the power projects, which are based on pit-headed coal, remains the most cost competitive as compared with the other fuel sources.. However, dependence on imported coal and significant increase in capital costs for recently commissioned and under-construction coal based power projects has increased the cost of generation for these projects as reflected from the tariffs quoted by IPPs in the competitive case-I bidding over the last 3-4 year period. In case of gas based capacity, the uncertainty over domestic gas availability has resulted in dependence on costlier imported fuel which is expected to continue at least over the medium term and has resulted in upward pressure on the overall cost of generation. As a result, generation from wind energy has become more cost-competitive with the all India average preferential tariff for wind energy projects across major wind states estimated at ₹ 4.8 per unit (though varies between ₹ 4.2/unit to ₹ 5.7/unit across the key states). On the other hand, solar PV tariff level has witnessed a significant decline owing to the fall in module prices and steady improvement in module efficiency. Competitively bid solar PV quoted tariffs have come down significantly, with the recent bidding for NTPC orders being won at Rs 4.34/kWh. Overall, the cost competitiveness of solar PV tariff has improved considerably over the last 2-3 year period. In addition, both the wind and solar PV based power projects remain favorably placed with relatively much lower construction period in comparison to the conventional thermal based projects, which are exposed to significant execution related risks due to long delays in land acquisition and statutory clearances.

Key Regulatory Developments

APTEL's directions for compliance of RPO norms: Taking note of the weak compliance of the RPO regulations by obligated entities as well as weak enforcement and monitoring of the RPO regulations by state commissions, APTEL in its order dated April 20, 2015 has issued directors to State/Joint Commissions for stricter implementation of Renewable Energy Regulations in their respective states through [a] timely issuance of orders related to RPO targets and preferential tariff regulations, [b] SERCs must direct obligated entities to meet the RPO targets within the stipulated timeframe by incorporating the renewable energy purchase as part of the tariff petition for the ensuing year and annual performance review for the current year [c] monitoring of compliance of the RPO periodically as provided for in the Regulations [d] suggestions and objections of the public shall be invited in the review proceedings and decisions taken after considering the suggestions/objections, as per law. This judgment is based on a petition filed by Associations of Wind Energy Generators, Developers and Manufacturers of Wind Turbine and Association of developers of small hydro power projects.

In ICRA's view, the above directions by APTEL, if implemented in all seriousness by the State/Joint Commissions, would provide a boost to the RE sector in the country. It would be a positive development for the project developers given the sizeable capacity enhancements required to meet the RPO norms set as per the NAPCC. Further, the REC market would also receive a boost as the number of buyers would increase. Nonetheless, the implementation of the above mentioned directions by SERCs across the country remains to be seen.

Supreme Court's judgment on ruling of RERC to impose RPO norms on captive power plants and open access users
The state electricity regulatory commission in Rajasthan, viz. Rajasthan Electricity Regulatory Commission (RERC), had announced the RPO norms as per its notifications of March 2007 and December 2010, which made it obligatory for captive power plants (CPP) and open access (OA) consumers to purchase minimum energy from renewable sources and to pay surcharge in case of shortfall in meeting out the RE obligation. Hindustan Zinc Ltd, Ambuja Cements Ltd, Grasim Industries Ltd and 14 other companies challenged the RPO regulations enacted by RERC in the Rajasthan High Court. The petitioners contested that RERC did not have the authority to pass the order of RPO and impose surcharge as CPP and OA consumers were de-licensed activities under the Electricity Act 2003 (EA 2003). The petitioners also contested that a Regulatory Commission has been authorized to regulate electricity purchase and procurement process of distribution licensees only, whereas a captive generating plant cannot be said to be a distribution licensee. In its order of August 2014, the Rajasthan High Court dismissed the petition citing that the word 'total consumption' used in the EA 2003 should be considered as total consumption in the area of distribution licensee in all modes. Also, the objective behind imposition of RE obligation upon CPP and OA consumers is to promote generation of electricity from renewable sources, which would have long lasting impact in protecting environment. The order of the Rajasthan High Court was subsequently challenged in the Supreme Court.

In its order dated May 13, 2015, the Hon'ble Supreme Court upheld RERC's authority to enforce RPO regulations on CPP and OA consumers, and dismissed the appeal of the petitioners, citing that the provisions requiring purchase of minimum percentage of energy from renewable sources of energy have been framed with an object of fulfilling the constitutional mandate with a view to protect environment and prevent pollution in the area by utilizing renewable energy sources as much as possible in larger public interest. In ICRA's view, the above order by Hon'ble Supreme Court would enable stronger enforcement of the RPO obligations across the country.

Forecasting, Scheduling & Deviation Settlement Mechanism for wind and solar power generators connected to inter-state transmission system: As per provisions of Indian Electricity Grid Code (IEGC) regulations of 2010, wind power generators are subject to scheduling & forecasting requirements with the basic purpose of ensuring grid discipline and hence, are subject to Unscheduled Interchange (UI) implications. CERC vide its order August 7, 2015 has notified amendments to the CERC (IEGC) Regulations, 2010 and CERC (Deviation Settlement Mechanism and related matters) Regulations, 2014 approving regulations for scheduling and forecasting of generation by wind and solar power generators which are regional entities i.e. projects connected to the inter-state transmission system. As a result, these regulations will not have any impact on the majority of the wind and solar projects which are connected to the intra-state transmission system. Subsequent to the notification of these regulations by CERC, SERCs in the states of Rajasthan, Tamil Nadu, Karnataka, Odisha and Jharkhand have issued draft regulations on forecasting & scheduling which are applicable for wind and solar power generators connected to the state grid and selling power within the state. However, these regulations vary across the states as well as with the regulations approved by CERC. For example, the settlement of deviation charges is based on a pre-determined rate (increasing from ₹ 0.5 per unit to ₹ 1.5 per unit with increase in deviation proportion) in case of regulations proposed in these states as against the CERC notified mechanism of linking the settlement rate with PPA tariff or Average Power Purchase Cost (APPC) as applicable. Once approved by SERCs, these regulations will have a negative impact on cash flows & project IRR for the wind projects, if actual overall deviation (mix of over-generation and under-injection) exceeds 30% of the scheduled. This is also because if the variation is above -/+35%, deviation charges are highest at ₹ 1.5 per unit for deviation volume in energy generation. Further, wind and solar power generation by nature is variable and intermittent which may translate into a risk of wide fluctuations in actual resource availability which in turn makes it challenging for the sector for forecasting, though the same is possible to some extent through robust technical/statistical modeling with the use past generation/weather conditions data.

Amendments in National Tariff Policy approved by the Union Cabinet: On January 20, 2016, the Union Cabinet, chaired by the Hon'ble Prime Minister, approved a number of recommendations proposed by the Ministry of Power in the National Tariff Policy, 2006. The key amendments impacting the RE sector include
[a] It has been decided that 8% of the total power consumption will be from solar energy (excluding hydro power) by March 2022
[b] New coal/lignite based thermal power plants would have a Renewable Generation Obligation (RGO) i.e. they would have to establish/purchase/procure a specified amount of power from renewable sources if they are setting up thermal power capacity after a specified date
[c] There will be no inter-state transmission charges and losses applicable to solar and wind power until further notification from Government of India
[d] There will be compulsorily procurement of 100% power produced from all the Waste-to-Energy plants in the State by the Distribution Companies to meet the objectives of Swachh Bharat Mission
[e] Hydro projects to be exempted from competitive bidding till August 2022

[f] Cross subsidy formula has been revised to balance interest of open access customers and discoms

ICRA believes that these changes are positive for the promotion of renewable energy sector and demonstrate the continuous focus of the Government towards achieving this. However, compliance of the new RPO norms by SERCs and overall execution of the amendments will continue to remain a key area of focus.

RENEWABLE ENERGY SECTOR IN TAMIL NADU - WIND AND SOLAR POWER POLICY

As on March 31, 2016, the total installed power generation capacity in Tamil Nadu stood at 25393.9 MW. This comprised of 50% thermal based capacity, 9% hydro, 4% nuclear and 37% renewable energy based capacity, signifying the importance of renewable energy capacity in the state. Wind power projects alone account for ~80% (7.6 GW as on March 31, 2015) of the total renewable capacity of 9511 MW in the state, while solar power capacity in the state stood at 636 MW as on March 7, 2016. Installed wind power capacity in Tamil Nadu accounts for 28% of the all India wind power capacity. This is due to presence of high wind potential sites in the state coupled with the benefits from the investments, both for financial investors as well as captive consumers in the past. However, there has been a significant slowdown in wind based capacity addition in the state over the past 4 year period on account of [a] relatively lower preferential tariff for supply to state discom for wind power projects in Tamil Nadu as compared to other high wind potential states such as Andhra Pradesh, Gujarat, Karnataka, Maharashtra, Rajasthan and Madhya Pradesh [b] grid evacuation challenges faced by wind power projects in the states resulting in backing down of wind farms and [c] weak financial profile of the state distribution utility i.e. TANGEDCO (Tamil Nadu Generation and Distribution Corporation Limited) resulting in long delays in realizing payments for energy sales by the wind power projects in the past along with discontinuation of GBI and AD benefits for a brief period. Following are the key highlights of the wind and solar power policies in the state.

Upward revision in feed-in tariff for new wind power projects: Tamil Nadu Electricity Regulatory Commission (TNERC) notified the tariff for wind power projects at ₹ 3.51 per unit in the state of Tamil Nadu vide its order dated July 31, 2012, which was valid till July 31, 2014. Subsequently, TNERC approved the continuation of this tariff beyond July-2014, i.e. until the new tariff is notified. The commission vide its order dated March 31, 2016 has approved revised tariff for wind power projects to be commissioned during FY2017 and FY2018 in Tamil Nadu. A brief comparison of the normative assumptions in the recent tariff order issued by TNERC vis-à-vis the earlier order issued in 2012 and the CERC tariff order for wind power projects to be commissioned in FY2017 is provided here:

Comparison of the normative tariff assumptions for Wind power projects in Tamil Nadu

Date of order	**TNERC order July 31, 2012**	**TNERC order dated March 31, 2016**	**CERC order dated April 29, 2016**
For Projects during	July 31, 2012 to July 31, 2014	FY2017-FY2018	FY2017
Tariff Period	20 years	25 years	13 years
Capital Cost	₹ 57.1 million/MW	₹ 62 million/MW	₹ 61.98 million/MW
O&M cost	1.1% of 85% of capital cost and 0.22% of 15% of capital cost escalating at 5% per annum	1.1% on 85% of capital cost and 0.22% on 15% of the capital cost escalating at 5% per annum; additional cost of insurance allowed at the rate of 0.75% on 85% of capital cost to be reduced by 0.5% every year	₹ 1.124 million per MW escalating at 5.72% per annum
Depreciation	4.5% up to 90% of investment over 20 years	3.60%	5.83% for first 12 years and 1.54% thereafter

PLF	27.15%	27.15%	Wind zone 1 (upto 200 W/m2) - 20% Wind zone 2 (201-250) - 22% Wind zone 3 (251-300) - 25% Wind zone 4 (301-400) - 30% Wind zone 5 (above 400) - 32%
ROE	19.85% pre tax	20% pre tax	20% pre-tax for first 10 years and 24% pre-tax from 11th year onwards
Interest cost on debt	12.25%	13.00%	12.76%
Interest cost on working capital	12.25%	13.50%	13.26%
Debt Equity ratio	70:30	70:30	70:30
Discount rate	-	10.21%	10.64%
Tariff	₹ 3.51 per unit (average tariff over 20 years)	₹ 4.16 per unit/ ₹ 3.70 per unit*	Wind zone 1 - ₹ 6.60/unit & ₹ 5.89/unit* Wind zone 2 - ₹ 6.00/unit & ₹ 5.36/unit Wind zone 3 - ₹ 5.28/unit & ₹ 4.71/unit Wind zone 4 - ₹ 4.40/unit & ₹ 3.93/unit Wind zone 5 - ₹ 4.13/unit & ₹ 3.68/unit

TNERC has revised the levelized tariff upwards from ₹ 3.51 per unit to ₹ 4.16 per unit for wind power projects to be commissioned over FY2017 and FY2018 based on the revised assumptions pertaining to normative capital costs, operating costs as well as cost of financing. TNERC has adopted the levelized tariff mechanism (uniform over the tariff period of 25 years) as against the earlier norm of averaging the tariff over 20 years. This is in line with the tariff determination process adopted by CERC and SERCs in other major wind states. The commission has also approved separate tariff for projects availing the accelerated depreciation benefit at ₹ 3.7 per unit. However, the approved changes for wind tariff norms in Tamil Nadu continue to deviate against the CERC's generic tariff norms in terms of absence of tariffs linkage with wind power density and lower depreciation rate. Also, the tariff determination process has been significantly delayed with previous tariff order issued in July 2012 with tariff validity was till July 2014. However, the upward revision in tariff approved by TNERC is a positive for new wind energy projects in the state and augurs well for improvement in fresh capacity addition in the state, given the high wind energy potential with attractive PLF level. Nonetheless, realization of this potential is critically dependent on the extent of improvement in transmission bottleneck in the state as well as payment discipline by state owned utility.

Key highlights of the Tamil Nadu State Solar Energy Policy

The state solar power policy has set a target of achieving 3000 MW of solar power capacity by FY 2015 comprising a mix of 1500 MW (Utility Scale), 350 MW (roof-top solar based) and 1150 MW (REC based) projects; w.r.t. utility scale projects, demand for 1000 MW will be based on Solar Purchase Obligation (SPO) [i.e. at 6% from 2014] to be imposed by State Government on HT consumers and balance 500 MW will be based on GBI provided by GoI. The policy also stated that the statutory clearances that are essential for the development and commissioning of solar energy projects will be handled by TEDA (Tamil Nadu Energy Development Agency) in co-ordination with the concerned departments/agencies. Guaranteed single window clearance will be provided through TEDA in 30 days so that the plants can be commissioned in less than 12 months. Also, the projects shall be exempted from electricity tax to the extent of 100% of electricity generated from solar power used for self consumption/sale to utility for 5 years. Implementation of the state policy has however faced significant hurdles, given the regulatory uncertainties arising out of disallowance by Appellate Tribunal for Electricity on the Solar Purchase Obligations set by State Government for specific category of consumers. Unlike the other states, the SERC in Tamil Nadu released a solar tariff order in September 2014, wherein the tariff rates for solar PV and solar thermal projects were finalized. This order was valid for one year and was further extended to March 31, 2016 by TNERC. Subsequently the commission through its order dated March 28, 2016 has approved revised tariff for solar power projects to be commissioned during FY2017 in Tamil Nadu. As shown in table below, the tariff approved by TNERC in this order is at Rs 5.10/unit (without accelerated depreciation) on a normative capital cost of ₹ 50.5 million per MW and CUF of 19%. This is slightly lower the tariff approved by CERC for FY2017 at ₹ 5.68 per unit (without accelerated depreciation) at a normative capital cost of ₹ 53.0 million per MW and CUF of 19%. A brief comparison of the normative assumptions in the tariff order issued by TNERC and the CERC tariff order for solar power projects to be commissioned in FY2017 is provided here:

Comparison of the normative tariff assumptions for Solar PV power projects in Tamil Nadu and CERC generic tariff norms		
Date of order	TNERC order dated March 28, 2016	CERC order April 29, 2016
For Projects during	Commissioned till March 31, 2017	FY2017
Tariff Period	25 years	25 years
Capital Cost	Rs. 50.5 million/MW	Rs. 53.0 million/MW
O&M cost	1.4% of the capital cost escalating at 5.72% per annum	Rs. 0.7 million per MW escalating at 5.72% per annum
Insurance cost	0.35% of net asset value	
Depreciation	3.6% up to 95% of investment	5.83% for first 12 years and 1.54% thereafter
PLF	19%	19%
ROE	20% pre tax	20% pre-tax for first 10 years and 24% pre-tax from 11th year onwards
Interest cost on debt	13.00%	12.76%
Interest cost on working capital	13.50%	13.26%
Debt Equity ratio	70:30	70:30
Discount rate	10.21%	10.64%

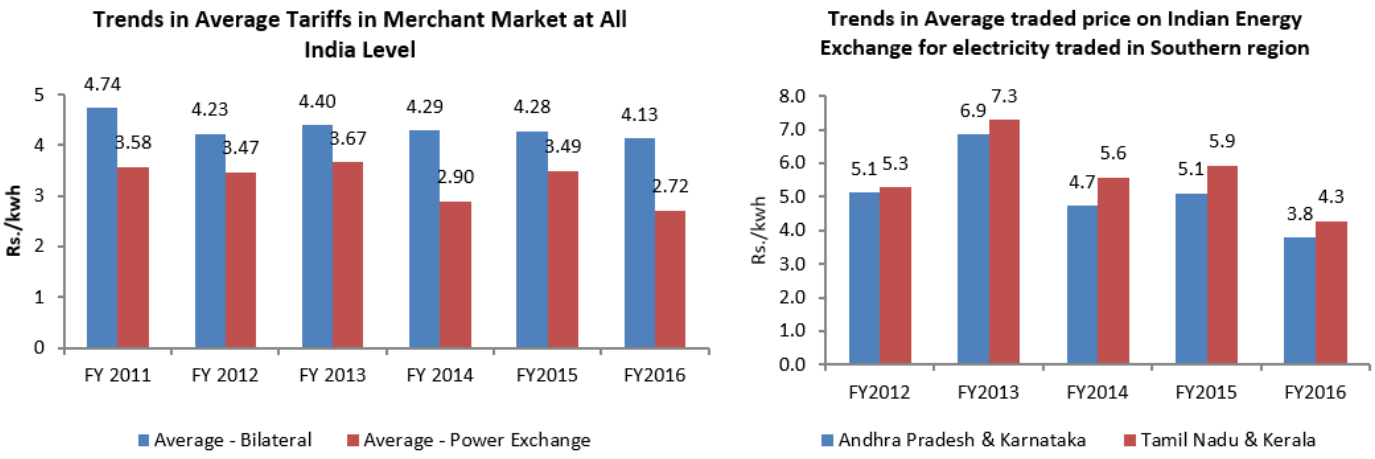
Wind Resource Potential in Tamil Nadu

Wind Resourced Potential in Tamil Nadu					
State	**Estimated capacity at hub height of 80 m**	**Estimated capacity at hub height of 100 m**	**Installed Capacity as on March 31, 2016**	**% Untapped Potential**	**Capacity Target as per MNRE Plan till FY2022**
Tamil Nadu	14.2 GW	33.8 GW	7.6 MW	77%	11.9 GW

Source: Source: ICRA research, MNRE, NIWE

NIWE has reassessed the wind potential in India at 100 m hub height based on latest available wind data and actual land availability using data sources of National Remote Sensing Centre, Indian Space Research Organization (ISRO). As per the latest study, NIWE has estimated the all India wind power potential as 302 GW, which is threefold increase from the estimated potential of 103 GW at 80 m hub height. The wind power potential in the state of Tamil Nadu is now estimated at 33.8 GW at 100 m hub height as against 14.2 GW estimated at 80 m hub height. As against the estimated potential of 33.8 GW, the installed wind capacity in the state as on March 31, 2016 stood at 7.6 GW signifying 78% untapped wind power potential. Also, the GoI in the union budget for FY2016 announced a renewable energy capacity target of 175 GW by the year FY2022 from the level of 36 GW as on March, 2015. The revised target of 175 GW comprises of 100 GW of solar power generation capacity, 60 GW wind power generation capacity, 10 GW biomass power generation capacity and 5 GW small hydropower generation capacity. Ministry of New & Renewable Energy (MNRE), GoI has identified state wise break-up of wind based capacity addition target to be achieved by the year FY2022 so as to achieve the all India cumulative target of 60 GW comprising of cumulative target for wind capacity addition in Tamil Nadu at 11.9 GW.

Trends in Merchant Tariffs



Source: ICRA research, CERC and Indian Energy Exchange

The average price of bilateral-based short-term traded power declined to ₹4.13 per unit during FY2016 from ₹4.28 per unit during FY2015. On the other hand, the average price for electricity transacted through power exchanges decreased to ₹2.72 per unit in FY2016 from ₹3.49 per unit reported during FY2015. However, the average traded price for short term electricity purchases in the Southern region has remained relatively higher as compared to the average prices at national level. During FY2016, the average traded price for electricity transacted on Indian Energy Exchange (IEX) in the Southern region was about ₹3.8 - ₹ 4.3 per unit as against the national average of ₹2.72 per unit. This is owing to the transmission constraints between the Southern region and other regions resulting in high dependence on procurement from short term sources for discoms in the this region. Nonetheless, the gap between the prices in other regions and Southern region has been reducing with improvement in the transmission capacity as well as commissioning of new thermal and renewable power generation capacities in the Southern region.

Normative PLF for Wind Power Projects in Tamil Nadu

Normative PLF assumed by SERCs in Tariff Determination across the key states having wind potential	
CERC/SERC	Normative PLF
Tamil Nadu	27.15%
Andhra Pradesh	23.5%
Gujarat	24.5%
Karnataka	26.0%
Madhya Pradesh	23.0%
Maharashtra	22% to 32% based on wind power density in that particular zone
Rajasthan	Jaisalmer, Jodhpur and Barmer districts – 21%; Other districts – 20%
CERC	20% to 32% based on wind power density in that particular zone

Source: ICRA research, Wind Tariff orders by respective SERCs and CERC

Tamil Nadu Electricity Regulatory Commission (TNERC) while approving the tariff order for wind power projects in Tamil Nadu has approved the normative PLF for wind power projects in the state at 27.15%. This is in deviation to the wind zone based tariff mechanism as adopted by CERC and SERCs in other states such as Maharashtra and Rajasthan (partially). Also, the normative PLF approved by TNERC is higher at 27.15% as against the normative PLF in other states such as Andhra Pradesh, Gujarat, Karnataka and Madhya Pradesh.

Viability of Open Access sale for Wind Power projects in Tamil Nadu

Wind based power developers have various options for sale of power generated by the WTGs, which include [a] sale to discoms at preferential tariff [b] sale to discoms at average pooled power purchase cost (APPC) rate and availing RECs [c] captive consumption and [d] sale to third party consumers through open access. Under the provisions of Electricity Act, 2003, non-

discriminatory use of transmission and distribution infrastructure of the state licensees is permitted by any consumer with demand greater than or equal to 1 MW for procuring electricity from the source of their choice. This is subject to regulations and charges as approved by the respective SERCs to be paid by the consumers for using the transmission and distribution infrastructure. Below table illustrates the charges payable by HT industrial consumers for availing open access for procurement from wind power generators in Tamil Nadu.

Open Access Charges for HT Industrial Customers (33 KV) for procuring Wind Power in Tamil Nadu			
Open Access	**Unit**	**Approved by TNERC as per the latest tariff order**	**Applicable for RE Projects**
Wheeling Charges	Rs./unit	0.1887	0.08
Transmission Charges	Rs./MW/day	2903	1161
Cross Subsidy Surcharge for injection and drawl at 33 kV for HT Industrial consumers	Rs./unit	3.39	1.69
SLDC Charges	Rs/MW/month	60000	60000
Banking Facility		Allowed for 12 months	
Banking Charge		5%	

Source: ICRA research, SERC Tariff Orders

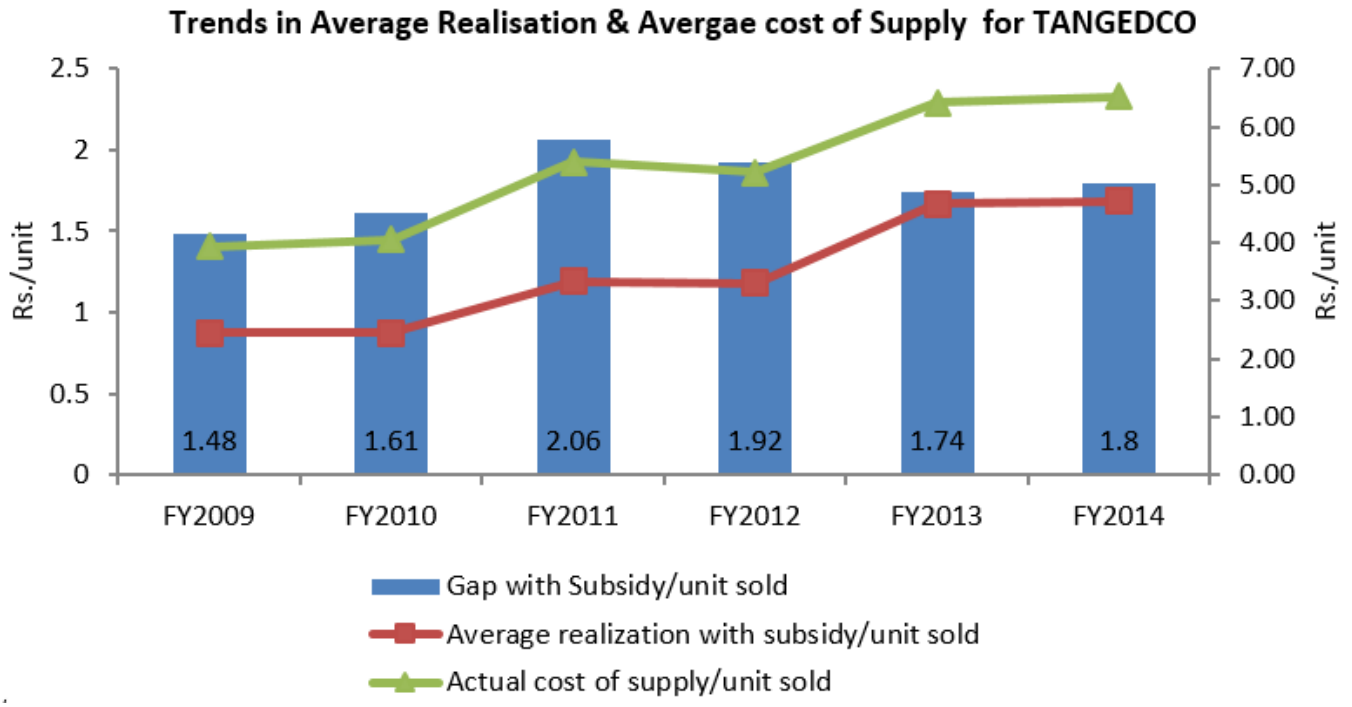
The applicable open access charges for HT industrial consumers procuring from wind power projects is only 40% of the approved wheeling and transmission charges. Further, the cross subsidy surcharge applicable from procurement from wind power projects through third party PPAs is 50% of the approved cross subsidy surcharge. However, the overall open access charges remain relatively high in the state owing to the high level of cross subsidy surcharge approved by TNERC and non-exemption from levy of cross subsidy surcharge for procurement RE projects. Apart from these charges, the consumers will also have to bear the actual line losses (for wheeling and transmission) as specified in the respective orders by TNERC.

The average realization from HT industrial consumers for TANGEDCO as approved by TNERC in its tariff order dated December 12, 2014 is relatively high at about ₹ 8.2 per unit owing to high cross subsidization requirements and growing cost of supply. Further, given the delay in tariff rationalization, the tariffs for HT industrial consumers are likely to increase going forward. In such a scenario, power procurement through open access, including from wind power IPPs is expected to be viable for HT industrial customers. This is positive for both industrial customers as well as wind power IPPs, given that the viable tariff for procurement through open access by HT industrial consumers is expected to be higher than the preferential tariff approved by SERCs for wind power IPPs in Tamil Nadu, as well as the same (inclusive of open access & other applicable charges) is estimated to be at a discount to grid tariff for the industrial consumers.

Given the intermittent & infirm nature of wind energy generation (as the most of the generation happens normally during the six month period (April – September) in a year), banking facility is required for wind power IPPs which allow them to inject the surplus power into the grid and draw the same for consumption at a later date within the banking period allowed which is a typically 12 month period. This is particularly required for wind power producers adopting the third party sale route, as generation pattern is not likely to match with the consumption pattern. The continuation of the banking facility in Tamil Nadu remains critical for projects adopting sale through open access. This is in view of the fact that TANGEDCO and the state government recommended withdrawal of the banking provision in the past.

Structural Issues in Tamil Nadu

Weak Financial Profile of the State Distribution Utility



Source: CEA, ICRA research, PFC report on performance of state distribution utilities

- The gap between average cost of supply per unit and average realization per unit has remained high for TANGEDCO, i.e. increasing from ₹ 1.48 per unit in FY2009 to ₹ 2.06 per unit in FY2011 and subsequently lowering to ₹ 1.74 per unit in FY2013. For FY2014, the per unit gap increased to ₹ 1.8 per unit. The high revenue gap can be attributed to the non-revision of tariffs in line with the increase in cost of supply for a prolonged period of time. This has adversely affected the financial profile of the utility and in turn resulted in long delays in meeting the payment obligations to power generating companies in the past periods.
- In view of the weak financial position of TANGEDCO, the lenders agreed to implement a financial restructuring package (FRP) in March, 2013 as notified by the Government of India. Under the FRP scheme, short term liabilities amounting to about ₹ 127 billion were restructured with 50% of these liabilities amounting to ₹ 63.8 billion taken over by Government of Tamil Nadu (GoTN). The remaining 50% were restructured with a moratorium on principal repayments for three years till March 2015. The FRP scheme involved several conditions such as lowering the gap between cost of supply and tariff realization, reduction of T&D losses, fixing tariff on a regular basis and setting up of the State Electricity Distribution Responsibility Act.
- However, the implementation of these conditions remained poor with tariff orders being issued with a delay of 3 months for FY2014 and with a delay of 9 months for FY2015. Further, the tariff revision approved for FY2014 at 4% remained inadequate in relation to the cost of supply. Though the tariff revision approved for FY2015 was higher at 16%, given the delay in issuance of the order, the additional revenues from the revised tariff were inadequate to meet the revenue gap. As a result, the regulatory asset position for TANGEDCO is estimated to increase from ₹ 236.77 billion at the end of FY2013 to ₹ 281.36 billion at the end of FY2015. This is despite the amortization of the regulatory asset during FY2014 and FY2015 based on the share of short term liabilities to be taken over by Government of Tamil Nadu.
- The weak financial position of the state utility and consequent delays in realizing payments from the discom has forced the project developers to adopt the open access route for sale of power to industrial and commercial consumers under group captive mode, resulting in loss of revenues from such consumers to the state discom and also hampering the growth of renewable energy capacity in the state. The state of Tamil Nadu is also yet to participate in UDAY (Ujwal Discom Assurance Yojana) scheme as notified by Government of India in November 2015 for financial turnaround of the state owned distribution utilities.

Grid Evacuation Challenges

Wind power generation is inherently seasonal in nature and is heavily influenced by monsoon season in India, wherein the generation normally picks up with the onset of Southwest monsoon in May and the peak generation season normally lasts till August / September. The generation during this 4-5 month period accounts for about 80% of the aggregate yearly generation and apart from seasonality, wind power generation is also highly variable on daily basis. This poses significant challenge to grid stability and this is even more significant in case of Tamil Nadu, given that the wind power capacity in Tamil Nadu is more than 7600 MW and constitutes 30% of the overall power generation capacity in the state. This coupled with inadequate transmission infrastructure in the state results in congestion in the transmission network during the peak wind generation season and the available wind capacity is not fully utilized. This is also accentuated due to inadequate inter-state transmission infrastructure for exporting power from the high wind potential sites in Tamil Nadu to energy deficit regions in other states. This has led to backing down of wind farms and consequently sub-optimal utilization of the wind power capacity in Tamil Nadu.

In July 2012, Power Grid Corporation of India Ltd (PGCIL) released a comprehensive report on green energy transmission corridor, as Ministry of New and Renewable Energy (MNRE) and Forum of Indian Regulators (FOIR) entrusted PGCIL to do the study for the same, given the large scale capacity addition envisaged in RE and in turn, the increasing requirements of grid integration/inter-connection. Key highlights of the study by PGCIL are as follows:

- 41,000 MW of RE capacity may be added in the 12th Plan period through Wind (30,000 MW), Solar (9,500 MW) and Small Hydro (1,500 MW) projects, thus taking the total installed RE capacity to about 66,000 MW by end of FY2017. Further, envisaged RE capacity within RE rich states (namely Tamil Nadu, Karnataka, Andhra Pradesh, Maharashtra, Gujarat, Rajasthan and small hydro in Himachal Pradesh & Karnataka) would be more than their proposed RPO targets in FY2017. Therefore, surplus RE generation would be required to be transferred to other non-RE rich states. The cost of the proposed scheme, which includes both intra-state and inter-state transmission system strengthening requirements, is estimated at ₹ 425 billion.

Cost of Proposed Grid Strengthening/Integration Schme	(Amount in Rs. billion)
Intra-state System Transmission Strengthening	204
Inter-state System Transmission Strengtheneing	188
Energy Storage	20
Dynamic Reactive Compensation System	5.6
Establishment of Renewable Energy Management Centre	2.2
Real Time Monitoring System (including optic fibre links)	0.5
Total	**425**

Source: PGCIL report on Transmission network

- While the gestation period for implementation of transmission strengthening network may take about 24 to 30 months, in relation to gestation period of 6 to 12 months for RE project, efforts should be made for faster implementation of the schemes identified.
- State transmission utilities (STU) having the expertise in transmission system development including obtaining statutory clearances should take the lead. Also, given the increasing issues related to Right of Way in execution of the projects, multiple lines in one common section may not be possible in future and hence, there is a need to adopt pocket wise common last mile connectivity development approach. Support may also be provided by some expert agency in the form of consultancy with sound project management skill and technical expertise to STUs.
- Inter-state transmission strengthening across states may need a review in case of change in renewable capacity addition programme in certain pockets of RE rich states. In addition, any delays or revisions in the implementation programme of intra-state strengthening schemes can also impact requirement of the proposed inter-state transmission requirements.

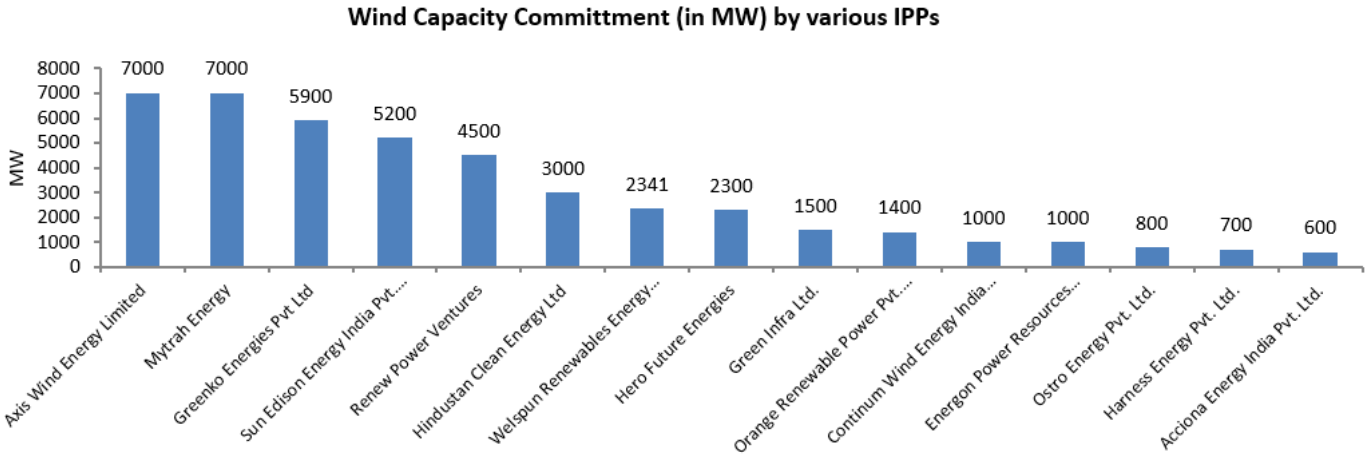
In February 2014, Government of Tamil Nadu has approved a project for strengthening of the intra-state transmission infrastructure as part of the Green Energy Corridor project with an outlay of ₹1593 crore to be implemented by Tamil Nadu Transmission Corporation with funding support from the German lending agency, KfW. During Q1-FY2016, the board of PGCIL has approved investment plans for strengthening of inter-state transmission network as part of the Green Energy Corridor project under three parts (PART A, B and C) with cumulative funding outlay of ₹74.32 billion. These projects are scheduled to be

completed within 36 months from the date of investment approval. In addition, PGCIL also plans to construct inter-state transmission capacity for solar power parks. Of the targeted solar power capacity of 100,000 MW by FY2022, GoI plans to achieve 20000 MW from 25 solar parks. PGCIL plans to build inter-state transmission system for connecting 9 of these solar parks with load centers at an estimated investment of ₹90 billion. Given the growing capacity addition expected in the wind and solar energy sector, it remains important for the utilities to take a proactive approach in strengthening the intra-state transmission network beyond the inter-connection point. However, the weakening financial position of state discoms, especially in high wind potential states like Tamil Nadu & Rajasthan and risk of delays in execution of planned investments continue to remain key areas of concern.

Investment Plans by IPP Segment in the Renewable Energy Sector

Wind

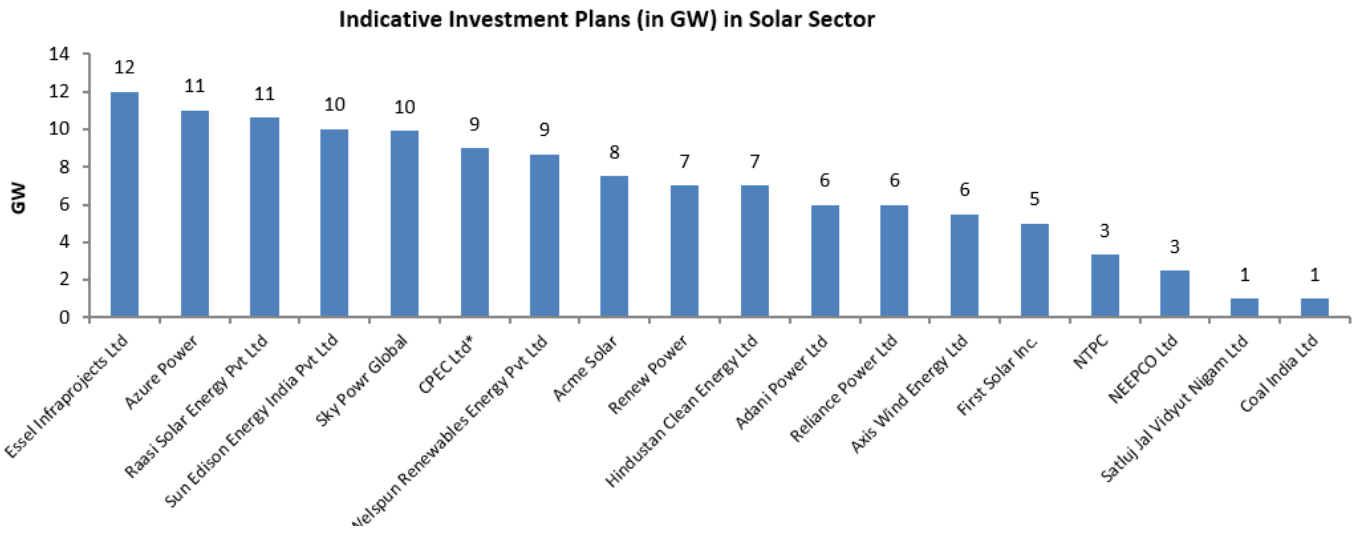
Operational wind based capacity in the IPP segment for major players stood at ~8000 MW as on March 31, 2016, constituting 30% of the overall wind based capacity, increasing from 26% as on March 31, 2015. Further, the IPPs have laid out large investment plans for the next three-four period, as seen from the capacity commitment provided by various IPPs during the Renewable Energy Global Investors Meet & Expo (RE-Invest 2015) organized by the Ministry of New & Renewable Energy (MNRE), Government of India in February, 2015. IPPs have committed cumulative wind power capacity addition of 45000 MW over the five-year period from 2015 to 2019.



Source: ICRA research, MNRE

Solar

Private companies, both domestic and foreign, have put in place significant investment plans in the domestic solar sector in the coming future driven by the ambitious plans of the Central Government towards expanding the solar installations in the country as part of JNNSM as well as various State Government initiatives. As part of the government-sponsored renewable energy investment summit, RE-INVEST, which concluded on February 17, 2015, about 140 companies committed towards setup of 217.3 GW of renewable energy power, which includes 166.2 GW of solar power during the period 2015-2019. While these are non-binding commitments, it does provide an indication on the extent of interest in the solar power sector in the country. Some of the key companies in the solar sector to make sizeable investment commitments are mentioned below.



*Source: ICRA research, MNRE, * Consortium of Trina Solar, Yingli Solar, Solar Reserve and China Sun Energy*

OUR BUSINESS

Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section "Forward-Looking Statements" for a discussion of the risks and uncertainties related to those statements and also the section "Risk Factors" for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our Financial Year ends on March 31 of each year unless otherwise stated, so all references to a particular Financial Year are to the twelve-month period ended March 31 of that year.

In this section, a reference to the "Company" or "we", "us" or "our" means KKV Agro Powers Limited.

All financial information included herein is based on our restated financial information included in the chapter titled "Financial Statements" starting on page 151 of this Prospectus.

Overview

Our Company, promoted by Mr.T.K.Chandiran and Mrs.C.Selvi, is engaged in the business of power generation from renewable energy sources, wind and solar. Our Company was incorporated as "Nachas Wind Energy Private Limited" on June 05, 2012 as a private limited company under the Companies Act, 1956, with the Registrar of Companies, Tamil Nadu, Coimbatore. The name of our company was changed to "KKV Agro Powers Private Limited" vide a fresh certificate of incorporation pursuant to change of name dated May 12, 2015 issued by Registrar of Companies, Tamil Nadu, Coimbatore. Subsequently our Company was converted into public limited Company and the name of our company was changed to "KKV Agro Powers Limited", pursuant to fresh certificate of incorporation consequent upon change of name on conversion to public limited company dated May 18, 2015, issued by Registrar of Companies, Tamil Nadu, Coimbatore.

Our Company has started its operations by acquiring the windmills of 1.5MW located at Udumalpet from M/s The KTM Jewellery Limited on June 7, 2012 and 1.25MW located at Tirunelvelli from Mr T.K.Chandiran, one of the promoters of the company, on June 7, 2012. Later, on December 15, 2014, our Company has acquired the wind mills of 1.5MW located at Palladam,Tirupur from M/s The KTM Jewellery Limited. Further the Company on 1st April 2015, has acquired the windmills of 1.25MW located at Tirunelvelli and 0.5MW located at Palladam,Tirupur from M/s The KTM Jewellery Limited totaling to 6MW of windmill operations. Also the Company has developed a solar project of 1 MW at Tirupur. All our projects are located in the state of Tamil Nadu.

As on December 31, 2015, our total portfolio of operating projects included 7 MW of aggregate installed capacity, which comprised of 6.0 MW of wind energy projects and 1.0 MW of solar project. The Company is currently in the process of acquiring additional capacity of 0.8 MW of wind energy generators in Tamil Nadu as mentioned in the section 'Objects of the issue'.

Our Company operates under "Group Captive Power Scheme" notified under the Electricity Act, 2003 by Ministry of Power, Government of India. As per the scheme, 51% of the power produced by a power generating company is consumed by its captive users while holding at least 26% of the paid up capital of the producer. Also, such users shall consume the electricity in proportion to their shareholding.

Details of our Power generation Plants:

S.No.	Location of the Plant	MW	Date of Commissioning of the Plant	Date of Acquisition of the Plant
1	Wind Mill located at Survey no.902/1A1 of Udayathoor Village, Tirunelveli District	1.25	29.03.2005	01.04.2015
2	Wind Mill located at survey no.914/3A of Udayathoor Village, Tirunelveli District.	1.25	29.03.2005	07.06.2012
3	Wind Mill located at survey no.16/2B of Periyakalanthai Village, Udumalpet District	1.50	30.03.2007	07.06.2012
4	Wind Mill located at SF.Nos.491/4 of Varappatty Village, Palladam Taluk, Tirupur District.	0.50	31.03.2005	15.12.2014
5	Wind Mill located at SF.Nos.433(A) of Varappatty Village, Palladam Taluk, Tirupur District.	0.50	31.03.2005	15.12.2014
6	Wind Mill located at SF.No.430 of Vadhambacherry Village, Tirupur District.	0.50	31.03.2005	15.12.2014
7	Wind Mill located at SF.No.27 Palladam Taluk, Tirupur District.	0.50	13.03.2006	01.04.2015
8	Solar Plant located at survey No. 73/A1, A2A, A3A, A4A, A5 Uthampalayam village, Tirupur (District)	1.00	28.03.2014	28.03.2014

Our company has entered into wheeling agreements with TANGEDCO for each of our power generating assets for wheeling of electricity to the nearest substations.

The current scope of operations of our Company includes:
A) Renewable Energy Power Generation
B) Renewable Energy Certificates Trading

We offer power generated from the renewable energy sources to our customers, The KTM Jewellery Limited, SKM Animal Feeds and Foods (India) Private Limited and Space Textiles Private Limited for Captive Consumption. As per the Electricity Rules, 2005, the captive consumers to maintain at least 26% of ownership in the power plants for the purpose of captive consumption.

Also our Company trades in Renewable Energy Certificates earned by it, pursuant to the scheme framed by the Central Electricity Regulatory Commission. The Company has sold Renewable Energy Certificates worth ₹3.60 Lakhs for FY15 and ₹24.61 Lakhs/- for the Nine Months Ended December 30, 2015.

We generated revenues of ₹190.03 Lakhs, ₹261.93 Lakhs and ₹357.75 Lakhs in FY2013, FY2014 and FY2015 respectively with respective profits of ₹53.34 Lakhs, ₹94.49 Lakhs and ₹63.34 Lakhs. The Company has sold 5.4 MU, 4.8 MU and 6.2 MU in FY13, FY14 and FY15 respectively.

OUR STRENGTHS

We believe the following are our competitive strengths:

a) We derive benefit from the fact that our existing operational facilities are located in Tamil Nadu, which has favourable geographical configuration for high wind energy generation

As on March, 2016, 28% of the country's total wind assets of 26,867 MW are located in Tamil Nadu. The state has some of the most potent wind passes in the country for high generation of wind power like Coimbatore, Dindigul, Tirunelveli, Tuticorin, Kanyakumari, Radhupuram, Muppandal, Rameshwaram etc. All of our windmill projects are located in the state of Tamil Nadu.

b) We have a source of assured revenues.

Our company has assured source of revenue as we have entered into power purchase agreement with SKM Animal Feeds and Foods (India) Private Ltd, Space Textiles Private Ltd and The KTM Jewellery Ltd to sell power generated from our power generating units at an agreed rate.

All our power generating units have been tied up with power purchase agreements as stated above for the sale of 100% power generated from the plants for term of three years from the date of said agreements and may be renewed for such additional period on mutual understanding.

c) We operate in the rapidly growing renewable energy sector, which benefits from increasing demand for electricity and regulatory support

We believe the renewable energy sector in India has strong development potential in light of the prevailing demand-supply gap and government policies and related legislation promoting the use of renewable energy resources, growing awareness of the importance of reducing dependency on fossil fuels for environmental and energy security reasons.

Electricity consumption in India is increasing rapidly, largely due to India's rapid population and economic growth. According to the report issued by ICRA the wind based capacity addition 3415 MW during FY2016, increasing by 48% over the capacity addition of 2308 MW achieved during FY2015. This growth in the wind sector was led both by the IPP segment with its focus on feed-in tariff based PPAs and by the non-IPP segment with the re-introduction of the accelerated depreciation benefit by GoI in the Union Budget presented in July 2014.

In respect of solar energy segment, share of solar based capacity within the renewable energy segment has improved considerably from almost negligible levels as on March 2010 to 15.8% as on March 2016. The growth has been driven by favorable policy support both by the GoI as well as improving regulatory framework by Central Electricity

Regulatory Commission (CERC) and State Electricity Regulatory Commissions (SERCs).

To help meet the growing demand for electricity and cope with continuing supply deficits, the GoI has put in place policies to encourage private sector investment in the creation of additional power generation capacity and, in particular, the development of the renewable energy sector, such as higher tariffs and tax benefits. We believe that the confluence of factors driving the growth in demand for electricity in India as well as the GoI's policies aimed at incentivizing the development of the renewable energy sector will provide significant growth opportunities in the Indian wind energy and biomass (including co-generation) power sectors.

d) We have a flexible business model that is scalable and sustainable and that enables us to deliver predictable growth from a diversified and balanced portfolio of projects

Our business model is based on the ability to expand our business through setting up as well as acquisition of a portfolio of renewable energy power plants. We believe our business model is adaptable to changing environmental and financial conditions, which enables us to deploy our capital efficiently and effectively. As part of this approach, we believe the following are key factors in the expansion of our generation capacity:

Scalability: Our development plans focus on the expansion of our generation capacity and development portfolio to enhance shareholder value by incremental additions to our base of operating projects while capitalizing on our strengths and experience from our existing businesses for greater profitability. In the past we have acquired our power generation equipment to grow inorganically and we may continue to do so in the future.

Sustainability: We believe that the demand for electricity generated by independent power producers in India will be sustainable for the foreseeable future. While electricity demand will continue to increase, the supply of electricity from conventional energy sources will not be able to meet expected demand, leading to continuing power deficits in the foreseeable future. Due to the availability of renewable energy resources in India and the GoI's explicit support for the renewable energy sector, we believe that renewable energy will play an increasingly significant role in the overall power generation sector and demand for electricity from renewable energy sources will continue to grow.

Predictability: We are able to estimate our costs to maintain our projects with some degree of certainty due to their relatively small size as compared generally to conventional energy plants.

OUR STRATEGIES

Our objectives are to enhance our position as a leading independent renewable energy producer in India and executing the following strategies.

a) Enhancement of capacities

Currently, we own windmills to generate 6 MW power and 1 MW of Solar power. Our vision has always been to be a large player in this field and we have been raising our capacities every year. Our current project to set up a 0.80 MW windfarm in Tamil Nadu is an indication of our strategy to expand our business.

Our Company also intends to increase its generating capacity by acquiring renewable energy assets in the market, including the assets owned by third parties which are not focused on power generation as a principal business, improve their performance through better maintenance and increasing availability of Wind Electricity Generators thereby increasing our market share. Our Company also intends to locate the new plants close to either demand centres, in order to balance the need to generate at the lowest cost with the ability to bring electricity to market effectively.

b) Improve profitability by enhancing efficiency

We intend to continue to improve the efficiency of our existing wind energy plants and implement best practices throughout our business in order to drive profitability growth. In particular, we plan to focus on achieving the following:

- Continue to focus on low cost power generation, optimization of capacity utilization and technology upgradation;
- To focus on system upgradation, loss reduction, theft control, consumer service orientation, quality power supply

AMC Contracts

Given below is a tabular representation of the details of locations of Wind Mills and Solar plant of our Company and details of Operation and Management agreements entered by our company for managing the plants.

S.No	Location of the Plant	MW	Date of agreement for AMC/Operation and Management	AMC Contract With	Period	
					From	To
1	Wind Mill located at Survey no.902/1A1 of Udayathoor Village, Tirunelveli District	1.25	31st March, 2012	Suzlon Energy Limited	31.03.2012	30.03.2017
2	Wind Mill located at survey no.914/3A of Udayathoor Village, Tirunelveli District.	1.25	31st March, 2012	Suzlon Energy Limited	31.03.2012	30.03.2017

3	Wind Mill located at survey no.16/2B of Periyakalanthai Village, Udumalpet District	1.50	30th March, 2014	Suzlon Energy Limited	30.03.2014	29.03.2019
4	Wind Mill located at SF.Nos.491/4 of Varappatty Village, Palladam Taluk, Tirupur District.	0.50	14th July 2015	i-Fox Renewables & Infra Private Limited	25.09.2015	30.09.2016
5	Wind Mill located at SF.Nos.433(A) of Varappatty Village, Palladam Taluk, Tirupur District.	0.50	14th July 2015	i-Fox Renewables & Infra Private Limited	25.09.2015	30.09.2016
6	Wind Mill located at SF.No.430 of Vadhambacherry Village, Tirupur District.	0.50	14th July 2015	i-Fox Renewables & Infra Private Limited	25.09.2015	30.09.2016
7	Wind Mill located at SF.No.27 Palladam Taluk, Tirupur District.	0.50	16th October 2015	JRS Renew Power Private Ltd.	17.10.2015	16.10.2016
8	Solar Plant located at survey No. 73/A1, A2A, A3A, A4A, A5 Uthampalayam village, Tirupur (District)	1.00	2nd October 2013	Tata Power Solar Systems Ltd.	28.03.2014	28.03.2019

The AMC contracts entered into with Suzlon Energy Limited and Tata Power Solar Systems Limited have no cap on the expenditure to be incurred by the AMC provider for Operations & Maintenance and Repairs & Maintenance. However, there's a cap of ₹2 Lakhs for AMC contracts entered into with I Fox Renewables and Infra Private Ltd and JRS Renew Power Private Ltd.

Our Customers

Our customers are SKM Animal Feeds and Foods(India) Private Ltd, Space Textiles Private Limited and The KTM Jewellery. We have entered into Power Purchase Agreements(PPA) with them. The Summary of the existing Power Purchase Agreements is tabulated below:

S.No	Name of the Counterparty	Agreement Date	Annual Guaranteed Energy (Lakh KWH)	Term of Agreement	Rate per Unit (KWH)
1	SKM Animal Feeds and Foods(India) Private Ltd	15-07-2015	66	3 Years	6.38
2	Space Textiles Private Ltd	01-02-2015	40	3 Years	6.38
3	The KTM Jewellery Ltd	01-04-2015	15	3 Years	6.38

Competition

India is facing a power deficit scenario where demand for electricity outstrips its supply. Currently in the FY 2016 the peak demand deficit is at 3.2%, while average deficit is at 2.1%. Because of this demand supply gap signifying the potential of power generation in general and green power in particular, we feel that there is space for all players and negates the scope of competition.

Technology and process

Wind Power Generation Process

Wind rotates wind electric generator blades, in the same way in which it does for small mill firkin. In case of firkin, the wind passes through and energy does not get utilized, but in case of the wind turbine the passing through wind does lot of work. With the help of the energy of the wind, wind turbine rotates the generator and produces the electricity. This production of the electricity is mainly dependent on the velocity of the wind. Only higher wind velocity makes the wind energy project viable. The potential of generation of the power increases with the velocity of the wind i.e. by doubling the velocity of the wind, the potential of the power in wind increases by eight times.

The state of art technology of wind turbine generator converts the kinetic energy of the wind into mechanical energy. The kinetic energy of wind is transferred though blades of wind generator into mechanical energy and drives the shaft of the generator. This mechanism transfers the rotary movement to the generator through gears and mechanical energy is converted into the electrical energy. The electrical energy is then supplied into the grid after stepping-up to a required electrical voltage.

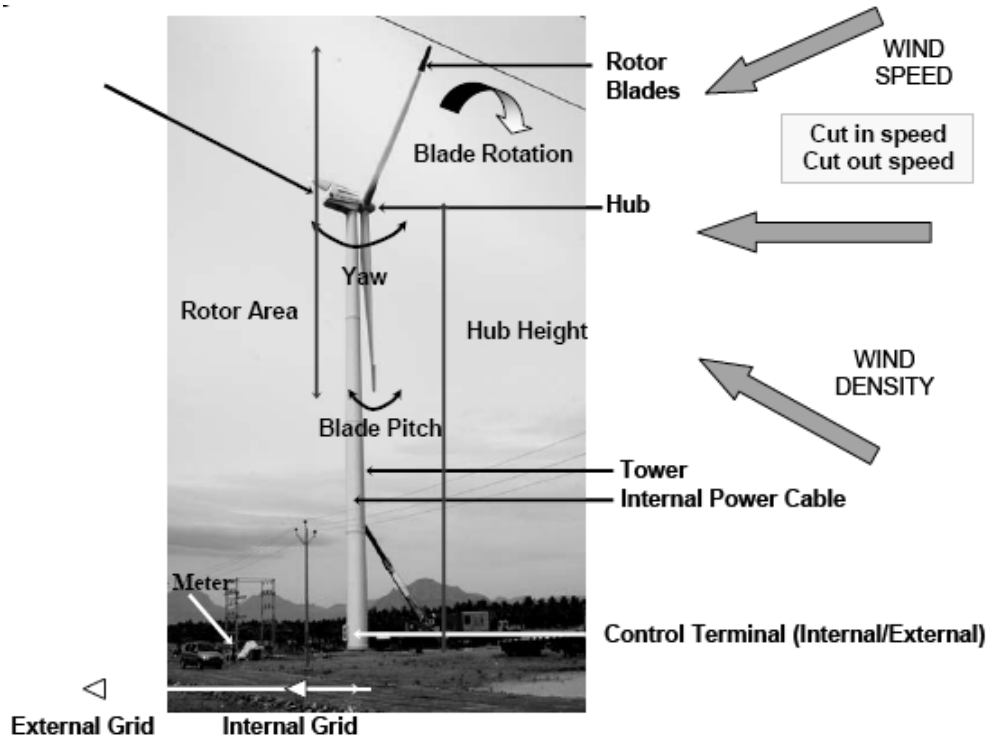
The wind turbine system consisting of blades, shafts, gears and generator, is controlled by the sophisticated computer controlled system installed at the base of the tower, which also have sensors to sense the wind speed and its directions to switch on and off the wind turbine generator.

Wind Electric Generator

The WEG manufacturers have their own design of Wind Turbine. In general, the wind machine consists of following major components:

a) Tower (Lattice or Tubular)
b) Nacelle
c) Rotor Blades
d) Gear Box & Transmission System n
e) Generator / Converter
f) Yawing System
g) Microprocessor based Control Panel
h) Power & Grid System
i) Breaking / Control System

The wind turbines are available in a wide range from 225 KW capacity to large machines of 2.1 MW capacities. The Wind Electric Generator is a simple machine which converts the mechanical energy received from wind to electrical energy. Here the wind speed is the prime mover, which makes the rotor blades to rotate and converts the kinetic energy of the wind into mechanical energy. The mechanical energy developed by the rotor is transferred to the generator coupled to the high-speed shaft. Thus the generator is made to rotate at high speeds. Through this rotation the generator converts the kinetic energy into the electrical energy. This electrical energy produced from the Wind Electric Generator is then transferred to the nearest grid, sub-stations through the transformers which step-up the electrical voltage to minimize the transmission losses in transmission system. The components of wind turbines are designed to last for 20 years. The actual lifetime of a wind turbine depends both on the quality of the turbine and the local climatic conditions and maintenance.



Wind Mill Specifications/Details

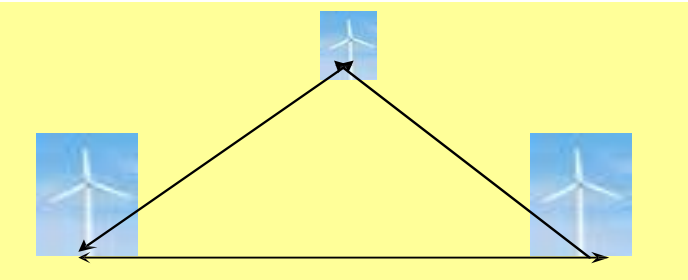
Wind energy is renewable in nature and is generated through non-conventional methods. Wind energy is considered as a viable option for generation of power as the technology for electricity generation from wind has been developed fully for smooth and trouble free operation as well for its economic viability.

Wind Farm layout

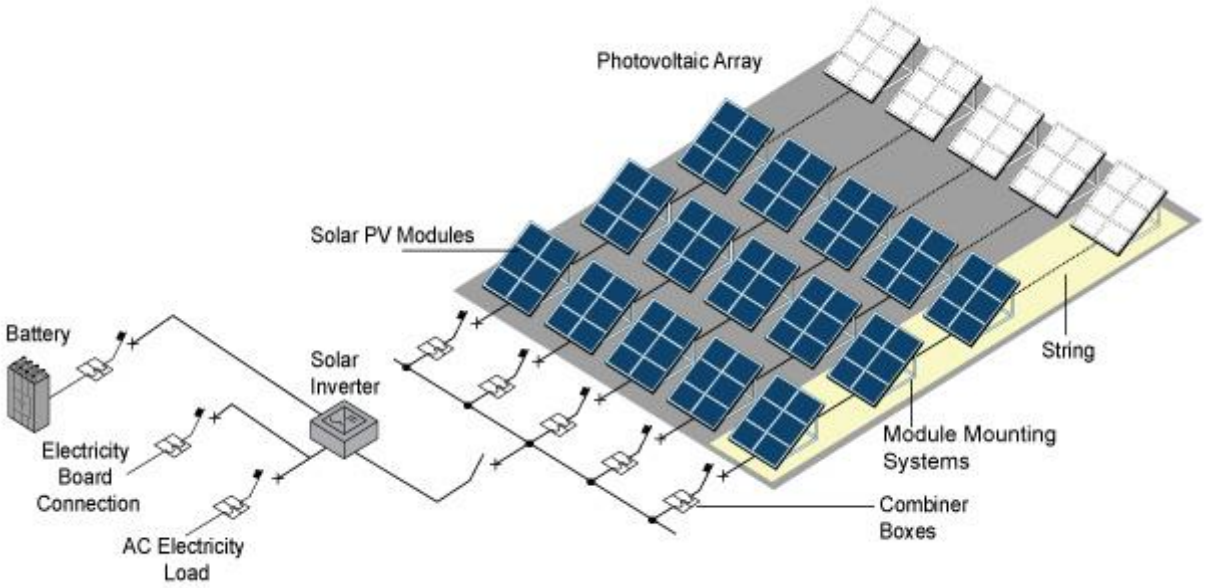
Generally, wind farms are established by locating WEGs in rows perpendicular to the predominant wind direction with spacing of 5D between WEGs and each of such rows are installed with a spacing of 7D between them, D being the diameter of the rotor area. This is required to avoid Wake Effect from the WEGs installed in front along the wind direction. In the design of wind farm layout, wind rose pattern plays an important role. The best wind rose pattern for the wind farm is unidirectional wind. In the proposed site, the predominant wind direction is southwest during the main wind season i.e April to September. Single row layout will have the best Array efficiency*.

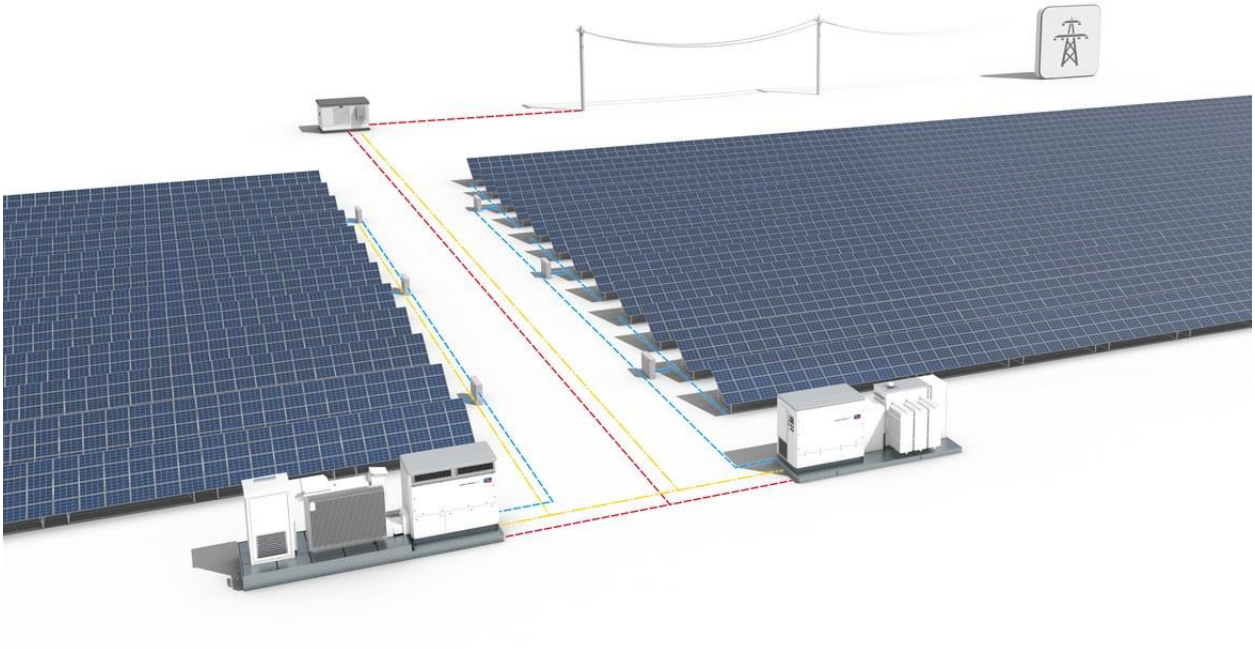
However, the limitation in land availability makes it difficult to achieve such a formulation for a large wind farm. A wind farm layout for 9MW will depend on the selection of the WEGs make and size. The WEGs shall be located facing the predominant wind direction to capture maximum wind potential at the site. The spacing adopted will result in reduction of the wake effects and will be finalized during micro-sitting exercise at site depending on the site conditions and shape of the land.

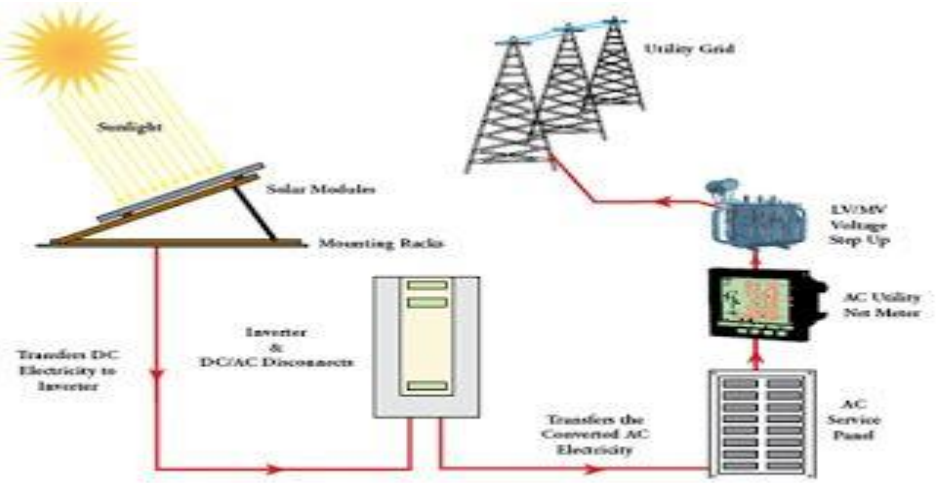
** Array efficiency is the actual output from cluster of turbines compared with that output which would be obtained without any interference. The array efficiency depends on spacing between turbines and nature of wind regime.*



Power Generation Process from a Solar Photo Voltaic Power Plant







1. Photovoltaics (PV) is the nomenclature for the method of converting solar energy into direct current electricity using semiconducting materials that exhibit the photovoltaic effect, a phenomenon commonly studied in physics, photochemistry and electrochemistry. A photovoltaic system employs solar panels composed of a number of solar cells to supply usable solar power. The process is both physical and chemical in nature, as the first step involves the photoelectric effect from which second electrochemical process take place involving crystallized atoms being ionized in a series, generating an electric current.

2. Power generation from solar PV has long been seen as a clean sustainable energy technology which draws upon the planet's most plentiful and widely distributed renewable energy source – the sun. The direct conversion of sunlight to electricity occurs without any moving parts or environmental emissions during operation.

3. Solar cells produce direct current electricity from sun light which can be used to power equipment or to recharge a battery. The first practical application of photovoltaics was to power orbiting satellites and other spacecraft, but today the majority of photovoltaic modules are used for grid connected power generation. In this case, an inverter is required to convert the DC to AC. There is a smaller market for off-grid power for remote dwellings, boats, recreational vehicles, electric cars, roadside emergency telephones, remote sensing, and cathodic protection of pipelines

4. Photovoltaic power generation employs solar panels composed of a number of solar cells containing a photovoltaic material. Materials presently used for photovoltaics include monocrystalline silicon, polycrystalline silicon, amorphous silicon, cadmium telluride, and copper indium gallium selenide/sulfide. Copper solar cables connect modules (module cable), arrays (array cable), and sub-fields. Because of the growing demand for renewable energy sources, the manufacturing of solar cells and photovoltaic arrays has advanced considerably in recent years

5. A photovoltaic power station, also known as a solar park, is a large-scale photovoltaic system (PV system) designed for the supply of merchant power into the electricity grid. They are differentiated from most building-mounted and other decentralised solar power applications because they supply power at the utility level, rather than to a local user or users. They are sometimes also referred to as solar farms or solar ranches, especially when sited in agricultural areas. The generic expression utility-scale solar is sometimes used to describe this type of project.

Important Components In Solar Photovoltaic Power Station Are As Follows:

1. Solar Panel Or Solar Module.
2. Solar Inverter
3. Dc And Ac Cables
4. Stepup Transformer
5. Panel Mounting Structure
6. String Monitoring Box [Smb]
7. SCADA
8. Transmission Line

STEP 1: Solar panel or Module converts Suns radiation to DC power.
STEP 2: Inverter converts DC power to AC power.
STEP 3: DC and AC power generated are transmitted via DC and AC Cables.
STEP 4: Power thus converted to AC is 440 V. It is stepped up to 33 KV using 440V/ 33 kV stepup Transformer.
STEP 5: Power thus stepped up to 33 KV is then transmitted to nearest Substation and supplied to utility.

Marketing and Selling Agreements

Power Purchase Agreements

KKV Agro Powers Ltd has an installed capacity of 6 MW wind and 1 MW of Solar Power generation capacity in Tamil Nadu connected to the State Grid. We have entered into Power purchase agreements(PPAs) with our customers. The summary of the agreements is stated below:

S.No	Name of the Counterparty	Agreement Date	Annual Guaranteed Energy (Lakh KWH)	Term of Agreement	Rate per Unit (KWH)
1	SKM Animal Feeds and Foods(India) Private Ltd	15-07-2015	66	3 Years	6.38
2	Space Textiles Private Ltd	01-02-2015	40	3 Years	6.38
3	The KTM Jewellery Ltd	01-04-2015	15	3 Years	6.38

Export obligations

Our Company does not have any export obligations.

Collaborations/Tie-up/Association

Our Company does not have any collaboration/association/tie ups.

Infrastructure Facilities

Raw Material

For generating power from windmills and solar PV, the only raw material required is wind and solar radiation , which is available, in plenty from nature.

Utilities

Power
The windmill projects do not require large quantities of power, unlike other manufacturing operations. However, the WEGs do draw very few quantity of power to start the turbine for generation, which is termed as reactive power KVARH (Kilo Volt Amps Reactive Hours)

Water
In order to have permanent water supply arrangements we have installed a pump of suitable capacity

Manpower

Our Company recruits people from the industry depending on its requirement. The Company has maintained good relationship with the employees. There is easy availability of manpower where our operations are located and we do not foresee any problem in hiring more manpower if needed.

As on 25th May, 2016 our Company has 9 employees. Detailed breakup of number of employees, department wise is as follows:

Department	Nos.
Management	2
Accounts	2
Administration	2
Site Engineers	2
Security	1
Total	**9**

We do not need any major addition in manpower. However, if required the same shall be recruited from the local areas where adequate skilled and unskilled talents are available.

Environmental Aspects

Our operations do not generate any effluents. On the contrary, the generation of power from windmills and solar is eco-friendly and pollution free and hence is categorized as 'Green Power'. Our Company is committed to provide a safe, clean and healthy environment. We adhere to all the requirements to be met in this regard and will continue complying with all local and national environmental laws and regulations, at all the times. We do not envisage any difficulty in meeting the required parameters to maintain a clean and healthy environment.

Capacity and Capacity Utilization

In wind farms, the capacity utilization depends upon the availability of wind. Hence the capacity utilization factor largely depends upon the time and velocity of the wind available during the days/months. As on date, our Company has an installed capacity of 7.00 MW. Our installed capacity has grown over the year in the following manner:

Particulars	FY 2012-13		FY 2013-14		FY 2014-15		Nine Months Ended December 31, 2015	
	Installed Capacity (MW)	Capacity Utilization (%)	Installed Capacity (MW)	Capacity Utilization (%)	Installed Capacity (MW)	Capacity Utilization (%)	Installed Capacity (MW)	Capacity Utilization (%)
Wind Power	2.75	25.3	2.75	20.29	4.25	16.85	6	14.38
Solar Power	-	-	-	-	1	17.89	1	18.10

Projected Capacity Utilization for the next three years*

Particulars	FY 2016-17		FY 2017-18		FY 2018-19	
	Installed Capacity (MW)	Capacity Utilization (%)	Installed Capacity (MW)	Capacity Utilization (%)	Installed Capacity (MW)	Capacity Utilization (%)
Wind Power	6.8	22	6.8	23	6.8	24
Solar Power	1	17.5	1	17	1	17

*Considering setting up 0.80MW of Wind farm at Vaagaikulam Village in Tamil Nadu

INSURANCE

We have a standard fire, Burglary, special perils policy and machinery breakdown with National Insurance Company Limited and The New India Assurance Company Limited and for each of our windmills situated in the state of Tamil Nadu. All the insurance policies are valid till 31 March, 2017.

LAND

Leased Land

The Summary of our leased our properties is:

Sr. No.	Location of the Property	Document and Date	Lessor/Lessee	Lease Rent/ License Fee	Lease Period	
					From	To
1	Wind Mill located at Survey no.902/1A1 of Udayathoor Village, Tirunelveli District.	Rental Agreement dated 04th September, 2014	The KTM Jewellery Limited	₹10,000 P.A	04.09.2014	03.09.2039
2	Wind Mill located at survey no.914/3A of Udayathoor Village, Tirunelveli District.	Rental Agreement dated 08th June, 2012	The KTM Jewellery Limited	₹2,000 Per Annum	08.06.2012	07.06.2032
3	Wind Mill located at survey no.16/2B of Periyakalanthai Village, Udumalpet District	Rental Agreement dated 08th June, 2012	The KTM Jewellery Limited	₹2,000 Per Annum	08.06.2012	07.06.2032
4	Wind Mill located at SF.Nos.491/4 of Varappatty Village, Palladam Taluk, Tirupur District.	Rental Agreement dated 08th June, 2012	The KTM Jewellery Limited	₹2,000 Per Annum	08.06.2012	07.06.2032
5	Wind Mill located at SF.Nos.433(A) of Varappatty Village, Palladam Taluk, Tirupur District.	Rental Agreement dated 08th June, 2012	The KTM Jewellery Limited	₹2,000 Per Annum	08.06.2012	07.06.2032
6	Wind Mill located at SF.No.430 of Vadhambacherry Village, Tirupur District.	Rental Agreement dated 08th June, 2012	The KTM Jewellery Limited	₹2,000 Per Annum	08.06.2012	07.06.2032
7	Wind Mill located at SF.No.27 Palladam Taluk, Tirupur District.	Rental Agreement dated 21st April, 2016	The KTM Jewellery Limited	₹10,000 Per Annum	21.04.2016	20.04.2041
8	Vivagaa Building, # 637, Oppanakara Street, Coimbatore, Tamil Nadu, India – 641 001	Rental Agreement dated 3rdth June, 2013	The KTM Jewellery Limited	₹5,000 Per Month	--	--

Own Land: The following table sets forth the land owned by our Company:

S.No	Property Kind	Description of Property	Area
1	Freehold Land	Survey No. 73/A1, 73.A2A, 73/A3A, 73/A4A, and 73/A5 Uthampalayam village, Kengeyam (Taluk), Tirupur (District)	6.70 Acre

INTELLECTUAL PROPERTY RIGHTS

Our logo  is not registered in our Company name. The logo is registered in the name of SCM Global Brands Private Limited ("SGBPL") wherein Mr.T.K.Chandiran and Mrs.C.Selvi as promoters. For using the brand KKV along with logo, our Company has entered into Trade Mark License Agreement dated November 18, 2014 on non-exclusive license. The agreement is valid for a period of 5 years w.e.f. April 1, 2014 and shall extend on mutually agreed basis. Our company agrees to pay to SGBPL a royalty of 0.5% on the net sales of our Company calculated on a yearly basis.

KEY INDUSTRY REGULATIONS AND POLICIES

The following is an overview of the important laws, regulations and policies which are relevant to our business in India. The description of law, regulations and policies set out below are not exhaustive, and are only intended to provide general information to investors and is neither designed nor intended to be a substitute for professional legal advice.
The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

INTRODUCTION

"Electricity" is a concurrent list subject at Entry 38 in List III of the seventh Schedule of the Constitution of India, this means that both the Central government and state governments are empowered to establish policy and laws for electricity sector. The Ministry of New and Renewable Energy, Government of India ("MNRE"), previously known as the Ministry of Non-Conventional Energy Sources, is the nodal agency of the Government of India for all matters relating to non-conventional or renewable energy, including wind and solar energy. The wind power program in India was initiated in 1983-84. In 1981, the Commission on Alternative Sources of Energy ("CASE") was constituted and was charged with the responsibility of formulating policies in respect of renewable or nonconventional sources of energy and their implementation, developing and implementing programmes for development of new and renewable energy apart from coordinating and intensifying research and development in the sector. In 1982, the Department of Non-Conventional Energy Sources ("DNES") was created under the Ministry of Energy, Government of India for promoting activities relating to development, trial and induction of variety of renewable energy technologies for use in different sectors. In 1992, the MNRE started functioning as a separate Ministry of the Government of India to develop all areas of renewable energy. Thereafter, MNRE has issued various policy guidelines to all the states with a view to promote commercial development and private investment in this sector. The guidelines pertain to areas such as preparation of detailed project reports, micro-sitting, selection of wind turbine equipment, operation and maintenance and performance evaluation. Various states in India have introduced renewable energy policies following the MNRE's Guidelines.

Ministry of New and Renewable Energy, Government of India:

The mandate of the MNRE includes research, development, commercialization and deployment of renewable energy systems and devices for various applications in rural, urban, industrial and commercial uses. In order to ensure quality of wind farm projects and equipment, the MNRE introduced the MNRE Guidelines. The MNRE Guidelines were superseded by the revised guidelines issued on June 13, 1996, and have been periodically updated since. The MNRE Guidelines, inter alia, make provision for proper planning, installation at specific approved sites, selection of quality equipment, implementation and performance monitoring of wind power projects. The MNRE Guidelines were made mandatory through revised guidelines issued on May 24, 1999. In 1987, MNRE established the Indian Renewable Energy Development Agency Limited ("IREDA"), a financial institution under the administrative control of the MNRE to complement the role of MNRE. IREDA is involved in extending financial assistance and related services to promote deployment of renewable energy systems in India. In addition, MNRE has established the The National Institute of Wind Energy ("NIWE") (Formerly Known as Centre for Wind Energy Technology ("C-WET")) at Chennai, India, which is the major specialized technical institution, performing inter alia, functions such as, development of components and sub-systems, testing of WTGs, certification of wind turbines and identifying resource rich regions of India.

Strategic Plan for New and Renewable Energy Sector for the Period 2011-17 ("Strategic Plan")

The Ministry of New and Renewable Energy ("MNRE") has prepared this Strategic Plan for the period 2011-17 (Covering the last year of the 11th plan and the next 5 years period of the 12th plan) and perspective till 2022, which seeks to articulate the goals of the Ministry, the strategy to be adopted by it during this period to achieve these goals and the corresponding action plan. MNRE's Strategic Plan inter-alia sets out as its key components:

- Vision, Mission and Objectives to be achieved by the end of the year 2022
- Strategy for promoting the sector and achieving desired outcomes
- Implementation plan outlining the timelines, resources required and tools for tracking and measuring success.

The vision of MNRE is to upscale and mainstream the use of new and renewable energy sources in furtherance of the national aim of energy security and energy independence, with attendant positive impact on local, national and global environment. One of the key objectives of the MNRE is promotion of grid-interactive renewable power generation projects.

The Strategic Plan has also inter-alia provided a sector specific implementation plan. For the purposes of the Wind Power sector, the implementation plan includes inter-alia the following activities, which are ongoing:

- Wind Resource Assessment: Updating/ expansion of existing data base and off-shore resource assessment.
- Regular interaction with all stakeholders to periodically address policy, regulatory, evacuation transmission matters for wind power.
- Regular interaction with States to periodically address land acquisition, E&F clearance and State policy issues.

In terms of the Strategic Plan, the MNRE is to continue to work closely with Central and State Regulatory Agencies to promote facilitative framework for promotion of renewable energy technologies which includes a wide array of issues.

Guidelines for Wind Power Projects ("Wind Power Guidelines")

To ensure quality of wind farm projects and equipment, MNRE introduced the "Guidelines for Wind Power Projects". The Wind Power Guidelines were issued for the benefit of inter-alia the erstwhile State Electricity Boards, State Nodal Agencies, manufacturers, and developers of the wind farms and end-users of energy to ensure proper and orderly growth of the wind power sector. These Wind Power Guidelines have been reviewed and amended from time to time. The Wind Power Guidelines, inter-alia, provides for proper planning, selection of quality equipment and implementation, performance and monitoring of wind power projects. The erstwhile State Electricity Boards and State Nodal Agencies are responsible for clearance of wind power projects and issue of No Objection Certificates subject to certain conditions laid down in these Wind Power Guidelines which inter-alia includes type approval and quality system certification of wind turbines and other equipment used. The Wind Power Guidelines were amended to inter-alia allow manufacturers of wind turbines to provide self certification of the quality and performance of their equipment. In the event that their machines are found not to perform as per the performance certified by them, such manufacturers would be penalized. This facility of self certification was amended to inter-alia extend it to the machines which are already under testing or certification by the erstwhile Centre for Wind Energy Technology ("C-WET") and any other machines that may be offered and are taken up for testing and certification for the period stated therein. Under these Wind Power Guidelines, the erstwhile C-WET formulated a Type Approval Provisional Scheme – 2000 ("TAPS-2000") which covers testing/certification of wind turbines. This TAPS-2000 scheme has further been reviewed and amended from time to time.

Wind and Solar power generation under The Electricity Act, 2003 ("Electricity Act")

Under the Electricity Act 2003, which repealed all the earlier enactments pertaining to this sector, the activity of generating power does not require any license or permission. Persons engaged in the generation of electricity from wind and solar power are required to register the project being undertaken with the relevant state nodal agency and obtain permission for inter-grid connectivity from the utility. The electricity generated from the wind and solar power project can be used for captive consumption, sale to utilities or for transaction under open access as per 96 prevailing state policy and regulatory

orders, if any. Various Indian state commissions have mandated a certain percentage of energy procurement from renewable energy sources, and have also set tariffs for such procurement by various distribution companies.

The tariffs are based on relevant tariff orders/regulations passed by different regulatory commissions for specific states. Charges for captive users and sales to third party consumers, along with cross subsidy surcharge are at times independent of the tariff orders/regulations passed by the commission for specific technology. In this regard, the rates for captive/third party sales may change from year to year, or may be fixed (if specified in the purchase contract for the wind energy generator). Further, the Electricity Act, 2003 also mandates that all regulatory commissions should procure certain percentage of power generation from renewable energy sources by all distribution companies. As far as the tariff and wheeling charges are concerned, it is stipulated that they should be decided by respective regulatory commissions as provided under the Electricity Regulatory Commissions Act, 1998, as amended (the "ERC Act").

The CERC has introduced the Central Electricity Regulatory Commission (Terms and Conditions for Tariff Determination from Renewable Energy Sources) Regulations, 2009, as amended, (the "Tariff Regulations") which are applicable in all cases where the CERC determines tariff for a generating station or a unit thereof under Section 62 read with Section 79 of the ERC Act. The regulations set out (a) the eligibility criteria for these regulations to be applicable to certain wind power projects having a specified wind power density and using new WTGs, and (b) the manner in which the tariff applicable to power projects may be evaluated, for example, the applicability of these regulations is subject to the wind power project, among other criteria. Chapter 3 of the Tariff Regulations specify the technology-specific parameters for projects involving wind energy. In certain cases, the tariff may be assessed on a case-to-case basis.

Electricity Rules, 2005

In order to develop the electricity Industry and protect consumers, "Ministry of Power" has notified, Electricity Act and rules thereunder. To enable surplus power generation and to loosen the tight grip of state electricity boards, the Ministry of Power, Government of India has issued these rules notifying "Group Captive Power Consumption Scheme".

Salient features of this Scheme are:

1) Captive generating plant was defined as one in which captive consumers

   (a) hold a minimum of 26% of the ownership.

   (b) consume not less than 51% of the aggregate generation computed on an annual basis

2) If the generating plant was set up by a registered cooperative society the consumers collectively have to consume not less than 51% of the aggregate generation implying that in case of any other form of entity, this obligation is to be in proportion to the ownership rights.
3) The tariff determined by CERC for generating companies shall not be subject to re-determination by the state commission.
4) The licenses to trade electricity for interstate operations is issued by the Central Commissioner.

As such, electricity generation companies can freely sell electricity to the captive consumers with little intervention from state electricity boards.

The National Tariff Policy, 2006 ("National Tariff Policy")

The Electricity Act inter-alia empowers the Central Government to formulate the National Tariff Policy and also interalia requires that the Central Electricity Regulatory Commission and State Electricity Regulatory Commissions are guided by the tariff policy in discharging their functions. Accordingly, the Ministry of Power has formulated the
National Tariff Policy which lays down the following objectives:

- Ensuring availability of electricity to consumers at reasonable and competitive rates;

• Ensuring financial viability of the sector and attracting investments;
• Promoting transparency, consistency and predictability in regulatory approaches across jurisdictions and minimizing perception of regulatory risks;
• Promoting competition, efficiency in operations and improvement in quality of supply.

The National Tariff Policy has inter-alia laid emphasis on the importance of providing adequate return on investment in the power sector. Accordingly, the Central Electricity Regulatory Commission ("CERC") in consultation with the Central Electricity Authority would be required to formulate operating norms for generation and transmission and tariff structures on the basis of the aforesaid objectives embodied in the National Tariff Policy. The State Electricity Regulatory Commissions are further required to adopt such norms formulated by the CERC in consultation with the CEA. The National Tariff Policy also mandates that in terms of the Electricity Act, the Appropriate Commission shall specify the minimum percentage for purchase of energy produced from non-conventional energy sources.

The Electricity Regulatory Commissions Act, 1998

The Electricity Regulatory Commissions Act, 1998 provides for the establishment of a Central Electricity Regulatory Commission and State electricity Regulatory Commissions, rationalization of electricity tariff, transparent policies regarding subsidies, promotion of efficient and environmentally benign policies and matters connected therewith or incidental thereto. The main object of act is to solve the problems that impede India's power sector to respond to the rapidly growing demand for energy brought about by economic liberalisation.

G.O.Ms.No.58 Energy (A1) Department dt. 17.3.1999 of Tamil Nadu
Consequent to the enactment of Electricity Regulatory Commissions Act, 1998; the government of Tamil Nadu has established the Tamil Nadu State Electricity Regulatory Commission for rationalisation of electricity tariff, transparent policies regarding subsidies, promotion of efficient and environmentally benign policies and for matters connected therewith or incidental thereto. In addition the TNERC has powers and duties as stated in the Electricity Regulatory Commissions Act, 1998.

Indian Electricity Grid Code ("IEGC")

The Indian Electricity Grid Code (IEGC) is a regulation made by the Central Commission in exercise of powers under Section 79 read with Section 178 of the Act. The IEGC also lays down the rules, guidelines and standards to be followed by various persons and participants in the system to plan, develop, maintain and operate the power system, in the most secure, reliable, economic and efficient manner, while facilitating healthy competition in the generation and supply of electricity. The main objective is to brings together a single set of technical and commercial rules, encompassing all the Utilities connected to/or using the inter-State transmission system (ISTS)

Tamil Nadu Electricity Grid Code ("TNEGC")

The TNERC by exercising it's powers under section 86(1) of the Electricity Act, 2003 has specified the "Tamil Nadu Electricity Gird Code"(TNEGC). The Grid standards specified under the TNEGC shall be consistent with the "Indian Electricity Grid Code"(IEGC). The code defines main functions connected with the network(viz., generation, transmission, distribution and supply) and also lays down the rules, guidelines and standards to be followed by various players(agencies and participants) in the system to plan, develop, expand, maintain and operate the power system in the most efficient, reliable, safer and economic manner. This grid code is consistent with the Indian Electricity Gird Code and national Grid Standards formulated by Central electricity authority.

Tamil Nadu Energy Development Agency

TEDA is a government undertaking established as a society under the Societies Registration Act in 1985 with the onus of promoting and proliferating the New and Renewable energy sources in Tamil Nadu. It also acts as the Nodal agency for Renewable energy related interests in the state. TEDA works towards creating awareness and migrating the state from using fossil fuels to renewable energy.

Comprehensive Tariff Order no.3 of 2016 on Wind Energy by TNERC on 31-03-2016

TNERC has issued a comprehensive tariff order for electricity generated by wind energy projects in Tamil Nadu considering various normative tariff assumptions like tariff period, capital cost per megawatt, O&M cost, depreciation, PLF, ROE etc. The tariff announced for wind energy projects is ₹4.16/Unit and ₹3.70/Unit*(*adjusted for higher depreciation benefit).

LABOUR LAWS

The following is an indicative list of labour laws applicable to our business:

- Payment of Gratuity Act, 1972
- Workmen's Compensation Act, 1923
- The Contract Labour (Regulation and Abolition) Act, 1970
- The Contract Labour (Regulation and Abolition) Central Rules, 1971
- The Employees Provident Fund and Miscellaneous Provisions Act, 1952 ("Act") and the schemes formulated there under
- Employees State Insurance Act, 1948
- The Maternity Benefits Act, 1961
- The Industrial Employment (Standing Orders) Act, 1946
- The Minimum Wages Act, 1948
- The Payment of Bonus Act, 1965
- Payment of Wages Act, 1936
- Tamil Nadu Labour Welfare Fund Act, 1972
- The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

OTHER LAWS

In addition to the above, our Company is also required to comply with the provisions of the Companies Act, 2013, Companies Act, 1956, to the extent applicable, and rules framed thereunder and other applicable statutes imposed by the Centre or the State Government and authorities for our day to day business and operations. Our Company is also subject to various central and state tax laws.

OUR HISTORY AND CORPORATE STRUCTURE

Our Company was incorporated as "Nachas Wind Energy Private Limited" on June 05, 2012 as a private limited company under the Companies Act, 1956, with the Registrar of Companies, Tamil Nadu, Coimbatore. The name of our company was changed to "KKV Agro Powers Private Limited" vide a fresh certificate of incorporation pursuant to change of name dated May 12, 2015 issued by Registrar of Companies, Tamil Nadu, Coimbatore. Subsequently our Company was converted into public limited Company and the name of our company was changed to "KKV Agro Powers Limited", pursuant to fresh certificate of incorporation consequent upon change of name on conversion to public limited company dated May 18, 2015, issued by Registrar of Companies, Tamil Nadu, Coimbatore. The corporate identity number of our Company is U40108TZ2012PLC018332.

The changes to the name of our Company were undertaken upon conversion of our Company from a private limited company to a public limited company and subsequently to align the name of our Company with the nature of the business of our Company.

Our company is engaged to generate, harness, develop, accumulate and supply electricity by setting up power plants. For further details, please refer to the section "Our Business" beginning on page 100

Registered office of our Company is situated at Vivagaa Building, # 637 Oppanakara Street, Coimbatore, Tamil Nadu, India – 641 001.

Key Events and Milestones achieved by Our Company:

Year	Event
2012	Commenced business as Private Limited Company Our Company has acquired Wind Energy Generator having Capacity of 1.5MW from The KTM Jewellery Limited and 1.25MW from Mr.T.K.Chandiran.
2014	Our Company has acquired three power energy generators having capacity of 0.5MW each from The KTM Jewellery Limited. We have commissioned our first Solar Power Plant with a Capacity of 1MW
2015	The name of our company was changed to "KKV Agro Powers Private Limited" Our Company has purchased two power energy generators having capacity of 1.25MW and 0.5MW from The KTM Jewellery Limited. The name of our Company was changed to "KKV Agro Powers Limited"
2016	Our company has raised 586.24 Lakhs by the way of preferential allotment to the promoter and promoter group.

Change in Registered Office of our Company:

The Registered Office of our Company was initially located at # 6, Bharathi Colony, Nava India, Peelamedu (Post Office), Coimbatore – 641004 at the time of incorporation and was later shifted to Vivagaa Building, # 637, Oppanakara Street, Coimbatore-641001 with effect from 17th June, 2013 for administrative convenience.

MAIN OBJECTS OF OUR COMPANY

The main objects of our Company as contained in our Memorandum of Association are as follows:

1) To carry on the business to generate, harness, develop, accumulate and supply electricity by setting up power plants by use of wind, Hydel, biomass, woody waste, solar, steam, fossil fuels, coal or tidal energy for the purpose of light, heat, motive power and for which electric energy can be employed and to transmit, distribute, and supply such power either for captive use or to sell, supply, transmit to State/Central Electricity Boards, to industries and to other consumers of electricity.

2) To carry on the business of electric power, light, and supply of power in all branches and in particular to Construct, establish, fix, carryout and run all necessary power stations, workshops, sub- stations, transmission lines, cables, wires, accumulators and works to generate, accumulate and supply electricity to industries and State, or Central Government Board or Local Bodies. And to enter into any contract with Government of India or State Government or Local bodies or corporate bodies or individuals for the construction, maintenance of power plants any kind for the production, transmission of captive use of electricity.

3) To purchase or otherwise acquire on long lease, the existing power plants for the above mentioned objects and to professionally manage them to achieve the twin goals of continuous supply of power to the consumer at a reasonable price.

4) To establish captive power plants on a co-operative basis for a group of industrial and other consumers and supply power to the participants in the co-operative effort either directly through transmission lines of the State Electricity Boards or other authorities by entering into appropriate arrangements and to carry on the business of generators, exporters, importers, contractors, sub-contractors, sellers, buyers and agents for renewable energy systems like solar, biomass, solid wastes, by-product gases and components thereof.

5) To carry on the business of agriculture and all its forms including that of horticulture dairy farming, floriculture, fist and pawn culture and all other activities connected therewith inclusive that of marketing, distributing all the produce obtained there from.

6) To carry on the business of process, produce, mix, pack, preserve, freeze, extract, refine, manufacture, import, export, buy, sell, trade and deal in processed foods, health foods, protein foods, food products, agro foods, fast foods, packed foods, poultry products, sea foods, milk foods, health and diet drinks, extruded foods, frozen foods, dehydrated foods, precooked foods, canned foods, preserved foods, bakery products and confectionery items such as breads, biscuits, sweets, cakes, pastries, cookies, wafers, condoles, lemon drops, chocolate, toffees, tinned fruits, chewing gum, bubble gum, detergents, tea and coffee, vegetables, fruits, jams, jelly, pickles, squashes, sausages, nutrient, health and diet foods / drinks, extruded foods, confectionery items, sweets, cereals products and any other food products in whole sale or in retail in and outside India.

7) To carry on the business of importers, exporters, buyers, sellers, dealers and as agents, stockiest, distributors and suppliers of all kinds of readymade garments, textiles, hosiery and silk or merchandise, coverings, coated fabrics, of every kind and description and other production goods, articles and things as are made from or with cotton, nylon, silk, polyester, acrylics, wool, jute and other such kinds of fiber by whatever name called or made under any process, whether natural or artificial and by mechanical or other means and all other such products of allied nature made thereof in whole sale or in retail.

8) To carry on business as goldsmiths, silversmiths, jewellers, gem merchants and importers and exporters of bullion and to buy, sell and deal in (Wholesale or Retail) precious stones, jewellery, gold and silver plate, electroplate, bronzes, articles or various objects of art and to manufacture and to establish factories for manufacturing goods for the above business.

9) To import, export, buy, sell in wholesale and/or retail trade all kinds of pharmaceuticals, antibiotics, drugs, medicines, biologicals, neutraceuticals, healthcare, homeopathic, ayurvedic and dietary supplement products, medicinal preparations, vaccines, chemicals, chemical products, dry salters, mineral waters, wines, cordials, liquors, soups, broths and other restoratives or foods and also to deal in medicinal goods such as surgical instruments, contraceptives, photographic goods, oils, perfumes, cosmetics, patent medicines, soaps, artificial limbs, hospital requisites, proprietary medicines, veterinary medicines and tinctures extracts and to carry on the business of vialling, bottling, repacking, processing of tablets, capsules, syrups, injections, ointments, etc. and also to carry on the business of chemists, druggists, buyers, sellers, agents, distributors and stockists of all kinds of pharmaceuticals and allied products.

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

CHANGES IN THE MEMORANDUM OF ASSOCIATION

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

Date of Amendment	Particulars
09.08.2013	Increase in Authorized capital of our Company from ₹10,00,000 consisting of 1,00,000 Equity Shares of ₹10 each to ₹1,00,00,000 consisting of 10,00,000 Equity Shares of ₹10 each.
28.03.2014	Alteration in capital clause- Clause V – reclassification of Authorised Capital i.e., ₹1,00,00,000 divided into 1,00,000 Equity Shares of ₹10/- each aggregating to ₹10,00,000 and 90,000 Preference Shares of ₹100/- each aggregating to ₹90,00,000.
16.04.2015	Increase in Authorized capital of our Company from ₹1,00,00,000 consisting of 10,00,000 Equity Shares of ₹10 each to ₹9,10,00,000 consisting of 91,00,000 Equity Shares of ₹10 each and ₹90,00,000 consisting of 90,000 preference shares of ₹100 each.

30.04.2015	Change in Name of our company from "Nachas Wind Energy Private Limited" to "KKV Agro Powers Private Limited and added new objects of the company listed below 1) To carry on the business of agriculture and all its forms including that of horticulture dairy farming, floriculture, fist and pawn culture and all other activities connected therewith inclusive that of marketing, distributing all the produce obtained there from. 2) To carry on the business of process, produce, mix, pack, preserve, freeze, extract, refine, manufacture, import, export, buy, sell, trade and deal in processed foods, health foods, protein foods, food products, agro foods, fast foods, packed foods, poultry products, sea foods, milk foods, health and diet drinks, extruded foods, frozen foods, dehydrated foods, precooked foods, canned foods, preserved foods, bakery products and confectionery items such as breads, biscuits, sweets, cakes, pastries, cookies, wafers, condoles, lemon drops, chocolate, toffees, tinned fruits, chewing gum, bubble gum, detergents, tea and coffee, vegetables, fruits, jams, jelly, pickles, squashes, sausages, nutrient, health and diet foods / drinks, extruded foods, confectionery items, sweets, cereals products and any other food products in whole sale or in retail in and outside India. 3) To carry on the business of importers, exporters, buyers, sellers, dealers and as agents, stockiest, distributors and suppliers of all kinds of readymade garments, textiles, hosiery and silk or merchandise, coverings, coated fabrics, of every kind and description and other production goods, articles and things as are made from or with cotton, nylon, silk, polyester, acrylics, wool, jute and
	other such kinds of fiber by whatever name called or made under any process, whether natural or artificial and by mechanical or other means and all other such products of allied nature made thereof in whole sale or in retail. 4) To carry on business as goldsmiths, silversmiths, jewellers, gem merchants and importers and exporters of bullion and to buy, sell and deal in (Wholesale or Retail) precious stones, jewellery, gold and silver plate, electroplate, bronzes, articles or various objects of art and to manufacture and to establish factories for manufacturing goods for the above business. 5) To import, export, buy, sell in wholesale and/or retail trade all kinds of pharmaceuticals, antibiotics, drugs, medicines, biologicals, neutraceuticals, healthcare, homeopathic, ayurvedic and dietary supplement products, medicinal preparations, vaccines, chemicals, chemical products, dry salters, mineral waters, wines, cordials, liquors, soups, broths and other restoratives or foods and also to deal in medicinal goods such as surgical instruments, contraceptives, photographic goods, oils, perfumes, cosmetics, patent medicines, soaps, artificial limbs, hospital requisites, proprietary medicines, veterinary medicines and tinctures extracts and to carry on the business of vialling, bottling, repacking, processing of tablets, capsules, syrups, injections, ointments, etc. and also to carry on the business of chemists, druggists, buyers, sellers, agents, distributors and stockists of all kinds of pharmaceuticals and allied products.

18.05.2015	Conversion in the name of the Company from KKV Agro Powers Private Limited to KKV Agro Powers Limited.
07.09.2015	Increase in Authorized capital of our Company from ₹9,10,00,000 consisting of 91,00,000 Equity Shares of ₹10 each and ₹90,00,000 consisting of 90,000 preference shares of ₹100 each to ₹11,00,00,000 consisting of 1,10,00,000 Equity Shares of ₹10 each and ₹1,00,00,000 consisting of 1,00,000 preference shares of ₹100 each.

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

Subsidiary(ies) of our Company
Our Company has no subsidiary company as on the date of filing of this Prospectus.

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

Other Agreements
There are no other material agreements apart from those entered into in the ordinary course of business carried on or intended to be carried on by us.

Collaboration
Our Company does not have any collaboration as on the date of filing of this Prospectus.

Strategic/ Financial Partners
Our Company does not have any strategic/financial partner as on the date of filing of this Prospectus.

Default or Rescheduling of borrowings with Financial Institutions or Banks
There have been no defaults or rescheduling of borrowings with financial institutions or banks as on the date of this Prospectus.

Injunction or Restraining Order
Our Company is not operating under any injunction or restraining order.

Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets etc.
Other than the asset acquisitions as stated in the chapter "Our Business", there has been no merger/amalgamation in the history of our Company and we have not acquired any business/undertakings since incorporation.

Number of Shareholders
Our Company has 7(seven) shareholders on date of the Prospectus.

OUR MANAGEMENT

Board of Directors

Under our Articles of Association, our Company is required to have not less than [3] Directors and not more than [15]. At present our Company has [6] Directors on Board. The following table sets forth current details regarding our Board of Directors

Name, Father's name, Designation, Address, Nationality, Occupation and DIN	Age (in years)	Date of Appointment as Director and Term	Other Directorships
T.K.Chandiran **Father's Name** : Kulandaivel Mudaliar **Designation**: Managing Director **Address**: #11, Kalidass Road, Ram Nagar, Coimbatore, 614009, Tamil Nadu, India. **Nationality** : Indian **Occupation**: Business **DIN**: 00031091	62	**Initial date of appointment:** June 05, 2012 **Appointment as Managing Director**: April 01, 2015 till March 31, 2018	- The KTM Jewellery Limited - SCM Global Brands Private Limited -Coimbatore Jewel Craft Infrastructure Foundation - SCM Garments Private Limited - Gajaananda Jewellery Maart Private Limited - KKV Gold N Retail Limited
C.Selvi **Father's Name** : Ramaswamy **Designation**: Whole Time Director **Address**: #. 11, Kalidass Road, Ram Nagar, Coimbatore, 614009, Tamil Nadu, India. **Nationality** : Indian **Occupation**: Business **DIN** : 00032962	54	**Initial date of appointment:** June 05, 2012 **Appointment as Whole Time Director**: On 07th September, 2015 w.e.f. April 01, 2015 till March 31, 2018	-The KTM Jewellery Limited - SCM Global Brands Private Limited - Coimbatore Jewel Craft Infrastructure Foundation - KKV Gold N Retail Limited.

A.C.Vineeth Kumar **Father's Name** : T.K.Chandiran **Designation**: Director **Address**: #. 11, Kalidass Road, Ram Nagar, Coimbatore, 614009, Tamil Nadu, India. **Nationality** : Indian **Occupation**: Business **DIN** : 06756745	21	**Initial date of appointment:** December 14, 2013 as Additional Director and approved in the AGM held on September 24, 2014. **Appointment as Director**: On 07th September, 2015 w.e.f., April 01, 2015 till March 31, 2018	- The KTM Jewellery Ltd
A.Velayutham **Father's Name** : Panniar Arumugam **Designation**: Independent Director (Non-Executive) **Address**: 54A/6, Water Tank South Street, C Colony, Perumalpuram, Tirunelveli, Tamil Nadu – 627 007. **Nationality** : Indian **Occupation**: Consultant **DIN** : 07173627	71	**Appointment as Independent Director**: For tenure of 5 years w.e.f., September 07, 2015	NIL
T.Gnanasekar **Father's Name** : Manavalan Thiagarajan **Designation**: Independent Director (Non-Executive) **Address**: Tower No.1, 701, Sea Breeze CHS, Palm Beach Road, Sector 16, Nerul, Navi Mumbai, Maharashtra, India 400706 **Nationality** : Indian **Occupation**: Analyst **DIN** : 00904018	44	**Appointment as Independent Director**: For tenure of 5 years w.e.f., September 07, 2015	-Commtrendz Risk Management Services Private Limited

V.Chandrasekaran **Father's Name** : Varadharaja Nadar **Designation**: Independent Director (Non-Executive) **Address**: Plot No.2, Veerabatrapillai Compound Villapuram, Madurai South, Avanivapuram, Madurai, Tamil Nadu, India 625012 **Nationality** : Indian **Occupation**: Doctor	61	**Appointment as Independent Director**: For tenure of 5 years w.e.f., September 07, 2015	NIL

Note:

As on the date of the Prospectus:

1. None of the above mentioned Directors are on the RBI List of willful defaulters as on date.
2. Further, none of our Directors are or were directors of any company whose shares were (a) suspended from trading by stock exchange(s) for more than 3 months during the five years prior to the date of filing the Prospectus or (b) delisted from the stock exchanges.
3. None of the Promoters, Persons forming part of our Promoter Group, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other Regulatory authority.
4. There are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors or Key Management Personnel were selected as a Director or member of the senior management. The Directors of our Company have not entered into any service contracts with our Company which provides for benefits upon termination of employment.
5. None of the Directors is or was a director of any listed company which has been or was delisted from any recognized stock exchange in India during the term of their directorship in such company.

NATURE OF FAMILY RELATIONSHIP AMONG DIRECTORS

Apart from Mr.T.K.Chandiran and Mrs.C.Selvi who are related to each other as husband and wife and, Mr.A.C.Vineeth Kumar, son of Mr. T.K.Chandiran and Mrs.C.Selvi none of the Directors of the Company are related to each other.

Brief Profile of our Directors

Mr.T.K.Chandiran, aged 62 years is the Managing Director of our Company. He has been a Promoter Director of our Company since June 05, 2012. He holds Master's degree in Commerce. He has over forty years of experience in the business of retail jewellery and textiles showrooms. He is the guiding force behind the strategic decisions of our Company and has been instrumental in planning and formulating the overall business strategy and developing business relations for our Company.

Mrs. C.Selvi, aged 54 is the Whole Time Director of our Company. She manages day to day activities of our company

Mr.A.C.Vineeth Kumar aged 21 years, is the Director of our Company. He holds a B.Sc in Apparel and and Fashion Technology from PSG College of Technology.

Mr.A.Velayutham aged 71 years, is an Independent Director of our Company. He holds Master of Engineering and Technology in Power System, he has over 43 years of experience in Power & Energy Systems.

Mr.T.Gnanasekar, aged 44 years, is appointed as Independent Director of our Company. He has a B.Sc in Mathematics from Madras University and a PG in Computer Sciences from APTECH.

Dr.V.Chandrasekaran aged 61 years, was appointed as an Independent Director of Our Company. He has a MBBS Degree, practicing Medical profession. He is noted philanthropist actively engaged in various social activities like education, eco-friendly activities etc.

BORROWING POWERS OF OUR COMPANY

Pursuant to a special resolution passed at Annual General Meeting of our Company held on 07th September 2015, consent of the members of our Company was accorded to the Board of Directors of our Company pursuant to Section 180(1)(c) of the Companies Act, 2013 for borrowing from time to time any sum or sums of money on such security and on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by our Company (apart from temporary loans obtained from our Company's bankers in the ordinary course of business) may exceed in the aggregate, the paid-up capital of our Company and its free reserves, provided however, the total amount so borrowed in excess of the aggregate of the paid-up capital of our Company and its free reserves shall not at any time exceed ₹10,000 Lakhs.

TERMS OF APPOINTMENT AND COMPENSATION OF OUR EXECUTIVE DIRECTORS

Name	T.K.Chandiran
Designation	Managing Director
Period	5 Years w.e.f 01st April, 2015
Date of Appointment	07th September, 2015
Remuneration	Total Salary is ₹, 2,50,000 per month including perquisites i.e, HRA, Medical Reimbursement, LTA for self and family, Entertainment Expenditure reimbursement. Company's contribution to PF, Super annuation fund, Gratuity as per the policy of our company, Company's car with driver and Telephone facility at residence.
Remuneration paid in FY 2015-16	₹19.35 lakhs

Name	C.Selvi
Designation	Whole Time Director
Period	5 Years w.e.f., 01st April, 2015
Date of Appointment	07th September, 2015
Remuneration	Total Salary is ₹75,000 per month
Remuneration paid in FY 2015-16	₹8.5 lakhs

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

NON – EXECUTIVE DIRECTORS

Non-executive and Independent Directors of the Company may be paid sitting fees, commission and any other- amounts as may be decided by our Board in accordance with the provisions of the Articles of Association, the Companies Act, 2013 and other applicable laws and regulations.

SHAREHOLDING DETAILS OF THE DIRECTORS IN OUR COMPANY

As per the Articles of Association of our Company, a Director is not required to hold any qualification shares.

The following table details the shareholding of our Directors as on the date of this Prospectus:

S.No	Name of the Director	No. of Equity Shares	% of Pre Issue Equity Share Capital
1	T.K.Chandiran	1,56,817	62.53%
2	C.Selvi	15,928	6.35%
3	A.C.Vineeth Kumar	10	Negligible
4	A.Velayutham	Nil	Nil
5	T.Gnanasekar	Nil	Nil
6	V.Chandrasekaran	Nil	Nil

INTEREST OF DIRECTORS

All the Directors of our Company may be deemed to be interested to the extent of sitting fees and/or other remuneration if any, payable to them for attending meetings of the Board or a committee thereof as well as to the extent of reimbursement of expenses if any payable to them under the Articles of Association. All the Directors may also be deemed to be interested in the Equity Shares of our Company, if any, held by them, their relatives or by the companies or firms or trusts in which they are interested as directors / members / partners or that may be subscribed for and allotted to them, out of the present Issue and also to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

All the Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company with any other company in which they have direct /indirect interest or any partnership firm in which they are partners.

Our Directors may also be regarded interested to the extent of dividend payable to them and other distributions in respect of the Equity Shares, if any, held by them or by the companies / firms / ventures promoted by them or that may be subscribed by or allotted to them and the companies, firms, in which they are interested as Directors, members, partners and Promoters, pursuant to this Issue. All of our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares, if any.

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

Except as stated in the chapter "*Our Management"* on page 127 and Annexure 30 of restated financial statement under the section titled "Financial Information" on Page 151 of the Prospectus and described herein to the extent of shareholding in our Company, if any, our Directors do not have any other interest in our business.

Our Directors are not interested in the appointment of or acting as Underwriters, Registrar and Bankers to the Issue or any such intermediaries registered with SEBI.

PROPERTY INTEREST

Except as stated/referred to in the heading titled "*Property"* under Chapter "Our Business" beginning on page 100 of the Prospectus, our Directors have no interest in any property acquired by our Company in the preceding two years from the date of this Prospectus nor do they have any interest in any transaction regarding the acquisition of land, construction of buildings and supply of machinery, etc. with respect to our Company. Further our Directors do not have any interest in any immovable property proposed to be acquired by the Company.

INTEREST IN THE BUSINESS OF OUR COMPANY

Save and except as stated otherwise in "Related Party Transactions" in the chapter titled "Financial Statements" beginning on page 151 of this Prospectus, our Directors does not have any other interests in our Company as on the date of this Prospectus.

CHANGES IN OUR BOARD OF DIRECTORS DURING THE LAST THREE (3) YEARS

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

Name	Date of event	Board Meeting Date /AGM/ EGM	Nature of event
T.K.Chandiran	01/04/2015	20.03.2015	Appoint as Managing Director
C.Selvi	01/04/2015	20.03.2015	Appointed as Whole Time Director
A.C.Vineeth Kumar	14.12.2013	14.12.2013	Appointed as Director
A.C.Vineeth Kumar	24.09.2014	Regularized at the 2nd AGM dated 24.09.2014	Appointed as Director
A.Velayutham	07.09.2015	Appointed at the 3rd AGM dated 07.09.2015	Appointment of Independent Director
T.Gnanasekar	07.09.2015	Appointed at the 3rd AGM dated 07.09.2015	Appointment of Independent Director
V.Chandrasekaran	07.09.2015	Appointed at the 3rd AGM dated 07.09.2015	Appointment of Independent Director

CORPORATE GOVERNANCE

Our Board has constituted various committees in compliance with the provisions of the Companies Act. Our Board functions either directly, or through various committees constituted to oversee specific operational areas.

As on date of this Prospectus, our Board has six Directors, comprising two executive Directors (including one women director), one non-independent, non-executive director and three non – executive and Independent Directors.

The following committees have been formed in compliance with the corporate governance norms:

A. Audit Committee
B. Nomination and Remuneration Committee
C. Stakeholder Relationship Committee

A) Audit Committee

Our Company has constituted an audit committee ***("Audit Committee")***, in accordance with Section 177 of Companies Act, 2013 vide resolution passed at the meeting of the Board of Directors held on September 10, 2015.

Name of the Director	Status	Nature of Directorship
T.Gnanasekar	Chairman	Independent Director
A.Velayutham	Member	Independent Director
V. Chandrasekar	Member	Independent Director
T.K.Chandiran	Member	Managing Director

The Company Secretary and Compliance Officer of the Company would act as the Secretary to the Audit Committee.

The scope, functions and the terms of reference of our Audit Committee, is in accordance with Section 177 of the Companies Act, 2013 and approved by our Board pursuant to its resolution dated 10th September, 2015. Below are the scope, functions and the terms of reference of our Audit Committee:

Role of the Audit Committee

The role of the audit committee shall include the following:

1. providing recommendation for appointment, remuneration and terms of appointment of auditors of the company;
2. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
3. examining the financial statement and the auditors' report thereon;
4. scrutinizing of inter-corporate loans and investments;
5. evaluating internal financial controls & risk management systems;
6. monitoring the end use of funds raised through public offers and related matters;
7. valuation of undertakings or assets of the company, wherever it is necessary;
8. approval or any subsequent modification of transactions of the company with related parties;
9. any other responsibilities as may be assigned by the Board from time to time

B) Nomination and Remuneration Committee

Our Company has constituted a Nomination and Remuneration Committee in accordance section 178 of Companies Act 2013. The constitution of the Nomination and Remuneration Compensation committee was approved by a Meeting of the Board of Directors held on September 10, 2015. The said committee is comprised as under:

The Nomination and Remuneration Committee comprises the following Directors:

Name of the Director	Status	Nature of Directorship
A.Velayutham	Chairman	Independent Director
V.Chandrasekar	Member	Independent Director
T.Gnanasekar	Member	Independent Director

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

The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and approved by our Board pursuant to its resolution dated 10th September, 2015. Set forth below are the terms of reference, powers and role of our Nomination and Remuneration Committee:

To recommend to the Board, the remuneration packages of the Company's managing/ Joint Managing/ Deputy Managing/ Whole time / Executive Directors, including all elements of remuneration package(i.e. salary, benefits, bonuses, perquisites, commission, incentives, stock options, pension, retirement benefits, details of fixed component and performance linked incentives along with the performance criteria, service contracts, notice period, severance fees etc.

C. *Stakeholders' Relationship Committee*

Our Stakeholders' Relationship Committee was constituted pursuant to resolution of our Board dated September 10, 2015 as per Section 178 of the Companies Act, 2013. The Stakeholders' Relationship Committee comprises of the following:

Name of the Director	Status	Nature of Directorship
T.Gnanasekar	Chairman	Independent Director
A.C.Vineth Kumar	Member	Director
V.Chandrasekaran	Member	Independent Director

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

The scope and function of the Stakeholders' Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and approved by our Board pursuant to its resolution dated 10th September, 2015. The terms of reference, powers and scope of the Stakeholders' Relationship Committee of our Company include:

1) Power to approve share transfers;
2) Power to approve share transmission;
3) Power to issue duplicate shares certificates;
4) Power to approve and issue fresh share certificate by way of split or consolidation of the existing certificate or in any other manner.

5) To monitor the resolution of all types of shareholders /investors grievances and queries periodically
6) Power to allot shares, equity or preference, fully or partly convertible debentures, or other financial instruments convertible into equity shares at a later date in demat or physical mode, the issue of which has been approved by the Board of Directors of the company

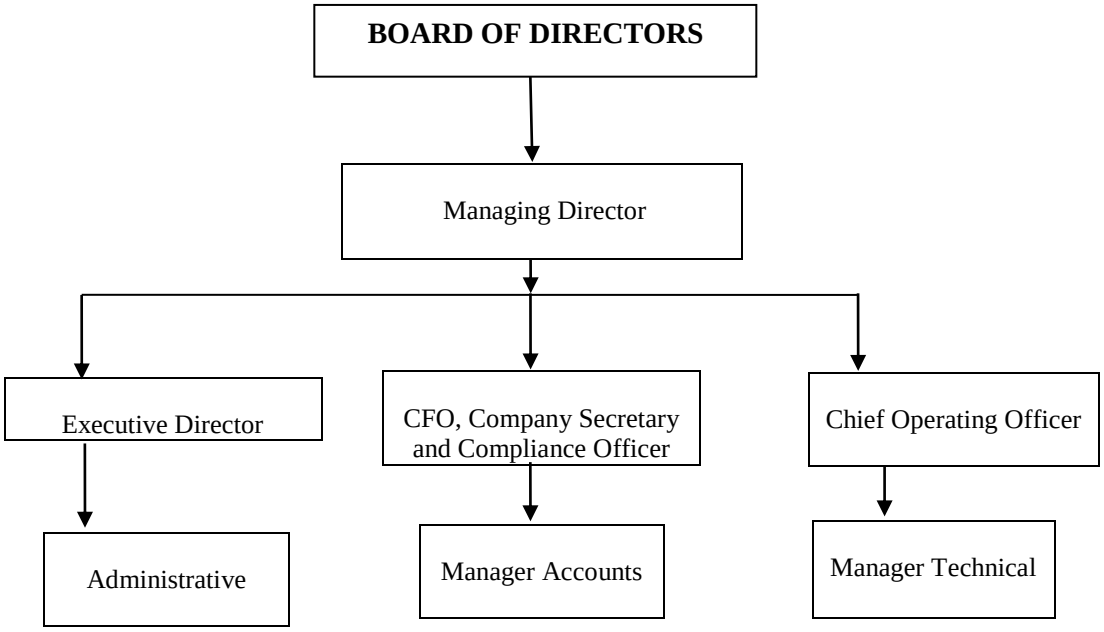
Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted meeting.

Policy on Disclosures and Internal Procedure for Prevention of Insider Trading

Our Company undertakes to comply with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 after listing of our Company's shares on the Stock Exchange.

Our Company Secretary and Compliance Officer, Mrs. C.Renuka is responsible for setting forth policies, procedures, monitoring and adhering to the rules for the prevention of dissemination of price sensitive information and the implementation of the code of conduct under the overall supervision of the Board.

ORGANISATION CHART



KEY MANAGERIAL PERSONNEL

Our Company is managed by our Board of Directors, assisted by experienced personnel, who are permanent employees of our Company. Below are the details of the Key Managerial Personnel of our Company:

Name	Date of Joining	Designation	Functional Responsibility	Qualification	Previous Employment
C.Renuka	11.04.2015	Company Secretary and CFO	Financial Planning and analysis, reporting financial information, secretarial matters.	M.A, ACS	Worked with The KTM Jewellery Limited as CEO and Company Secretary for the period of 17 years. Worked as Assistant Professor in RVS Paramedical and Management Sciences.
C. Arun Kumar	01.05.2015	Chief Operating Officer	General supervision of operations of windmill and solar farm. Maintenance and obtaining statutory approvals for power projects/.	B.Tech (EEE)	Worked with The KTM Jewellery Limited as Manager Technical for a period of 4 years.

BRIEF PROFILE OF KEY MANAGERIAL PERSONNEL

C.Renuka aged 47 years, a masters of Arts degree in Psychology, and Associate Company Secretary. She worked as a professor in RVS College before joining "The KTM Jewellery Limited". She joined "The KTM Jewellery Limited", a company belonging to the "The Chennai Silks" group, as the Chief Executive Officer in August 1999 and later took additional charge as the Company Secretary in 2010. She is currently the CFO and Company Secretary of our Company. She has over 17 years of experience in managing the retail business. She looks after financial and secretarial matters of our Company. She received a gross remuneration of ₹7,80,000 in fiscal 2016.

C. Arun Kumar aged 26 years, holds a bachelor's degree in Electrical and Electronics Engineering from Kalasalingam University, Krishnankoil. He looks after the operations of all the plants of our company including installation and erection of new plants. He received a gross remuneration of ₹3,00,000 in fiscal 2016.

The above Key managerial personnel are on the permanent rolls of our Company.

FAMILY RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL

As on the date of this Prospectus, none of the KMPs share any family relationships.

SHAREHOLDINGOF THE KEY MANAGERIAL PERSONNEL

As on the date of this Prospectus, none of the Key Managerial Personnel hold any shares in our company

BONUS OR PROFIT SHARING PLAN FOR THE KEY MANAGERIAL PERSONNEL

As on the date of this Prospectus, there is no bonus or profit sharing plan for the Key Managerial Personnel

LOANS TO KEY MANAGERIAL PERSONNEL

As on the date of this Prospectus, our company has not given any loans to the Key Managerial Personnel

ARRANGEMENTS AND UNDERSTANDING WITH MAJOR SHAREHOLDERS

None of our Key Managerial Personnel or Directors has been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others.

CHANGES IN KEY MANAGERIAL PERSONNEL OF OUR COMPANY DURING THE LAST THREE (3) YEARS

The changes in the Key Managerial Employees of the Issuer during the last three (3) years are as follows:

Name	Date of Appointment	Reason
C.Arun Kumar	01.05.2015	Appointment
C.Renuka	11.04.2015	Appointment

EMPLOYEES STOCK OPTION SCHEME

As on the date of this Prospectus, there is no Employee Stock Option Scheme in place.

PAYMENT OR BENEFIT TO OUR OFFICERS

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

OUR PROMOTERS

Our Company is promoted by Mr.T.K.Chandiran and Mrs.C.Selvi.

Brief Profile of our Promoter:

	Mr.T.K.Chandiran, aged 62 years is the Managing Director of our Company. He has been a Promoter Director in our Company since June 05, 2012. He holds Masters degree in Commerce. He has vast experience in the business of retail Jewellery and textiles showrooms under various brand names like "The Chennai Silks", "Sree Kumaran Thanga Maligai", "The KTM Jewellery",etc., He has been in the power generation industry for the past 10 years. He monitors the marketing, financial and operational activities of our Company. He is the guiding force behind the strategic decisions of our Company and has been instrumental in planning and formulating the overall business strategy and developing business relations for our Company.
	Mrs.C.Selvi is the Whole Time Director of our Company. She has done her SSLC. She manages day to day activities of our Company.

Particulars	Details
Name	T.K.Chandiran
Occupation	Business
Residential address	#11, Kalidass Road, Ram Nagar, Coimbatore, 614009, Tamil Nadu, India
Other ventures	The KTM Jewellery Ltd SCM Global Brands Private Ltd KKV Gold N Retail Limited Coimbatore Jewel Craft Infrastructure Foundation TKC Investments TCS Textiles Private Ltd Gajaananda Jewellery Maart Private Ltd SCM Garments Private Limited SCM Associates TCS Firms
Passport No.	G9816272
Voter ID	HBW0973321
Driving License No.	NA

Particulars	Details
Name	C.Selvi
Occupation	Business
Residential address	#11, Kalidass Road, Ram Nagar, Coimbatore, 614009, Tamil Nadu, India
Other ventures	The KTM Jewellery Ltd SCM Global Brands Private Ltd KKV Gold N Retail Limited Coimbatore Jewel Craft Infrastructure Foundation
Passport No.	K0404763
Voter ID	HBW0973933
Driving License No.	NA

For further details relating to our Promoters, their his other directorships; please refer to the chapter titled "*Our Management"* beginning on page 127 of this Prospectus.

Our Promoter Group

Our Promoter Group in terms of regulation 2(1)(zb) of SEBI (ICDR) Regulations includes the following persons:

Individuals in Promoter Group

The natural persons who are part of our Promoter Group due to the relationship with our Promoters, other than the Promoters named above are as follows:

S.No	Name of the Person
1	K.Manickam
2	K.Sivalingam
3	P.K.Aroomugam
4	K.Vinayagam
5	K.Nandhagopal
6	P.P.K.Paramasivam
7	M.Palaniammal
8	S.Padma
9	A.Deivanai
10	V.Meenakshi
11	N.Anandhi
12	P.Bhuvaneswari
13	A.C.Vineeth Kumar
14	S.ArunKarthikeyan
15	V.Vikram Narayan
16	M.SabariEagambaram
17	A.PrasannaAnguraj
18	A.Kannapiran

Companies, partnerships and HUFs forming part of the promoter group

S.No	Name of the Entity
1	Garsons Private Limited
2	Space Textiles Private Limited
3	The Madras Silks India Private Limited
4	SCM Associates
5	Aathava Garments India Private Limited
6	Crystal Wind Energy Private Limited
7	SCM Silks Private Limited
8	SCM Green Power Private Limited
9	Sathy Silks Private Limited
10	G K Green Power Private Limited
11	Teemage Builders Private Limited
12	Shree Nandhi Silks Private Limited
13	TKC Investments
14	Coimbatore Jewel Craft Infrastructure Foundation
15	Gajaananda Apparel Company India Private Limited
16	Gajaananda Jewellery Mart India Private Limited
17	Gajaananda Green Energy Private Limited

18	SCM Global Brands Private Limited
19	The KTM Jewellery Limited
20	KKV Gold N Retail Limited
21	Kasthuri Bai Khadi Trust
22	TCS Firm
24	SCM Clothes Private Limited
25	SCM Garments Private Limited
26	KKV Golden Jubliee Foundation
27	Gee Aar Kaush Energy Private Limited
28	SCM Globals Private Limited

COMMON PURSUITS OF OUR PROMOTER

Our Promoter is not engaged in a line of business similar to that of our Company's line of business except as mentioned in the Chapter titled "Our Promoter Group / Group Companies / Entities" on page 143 of the Prospectus.

We shall adopt the necessary procedures and practices as permitted by law to address any conflicting situations, as and when they may arise.

INTEREST OF PROMOTERS AND DIRECTORS

Except as stated in Annexure 30 of restated financial statement under the section titled "Financial Information" on Page 151 of the Prospectus and to the extent of compensation / sitting fees and reimbursement of expenses in accordance with their respective terms of employment, our Promoters do not have any other interest in our business. Further, our Promoters are also directors on the boards, or are members, or are partners, of certain Promoter Group entities and may be deemed to be interested to the extent of the payments made by our Company, if any, to these Promoter Group entities. For the payments that are made by our Company to certain Promoter Group entities, please see the section "Related Party Transactions" on page 149. Except as stated in the prospectus, our Promoters do not have any interest in any property acquired by our Company in the period of two (2) years before filing the Prospectus with SEBI. Except as stated otherwise in the Prospectus, we have not entered into any contract, agreements or arrangements during the preceding two years from the date of the Prospectus in which the promoters are directly or indirectly interested and no payments have been made to them in respect of these contracts, agreements or arrangements and no such payments are proposed to be made to them.

Interest in the property of Our Company

Our Promoters does not have any interest in any property acquired by our Company in last two years or proposed to be acquired by our Company.

Interest as Member of our Company

Mr.T.K.Chandiran and Mrs.C.Selvi hold 1,72,745 Equity Shares aggregating to 68.88% of pre-Issue Equity Share Capital in our Company and is therefore interested to the extent of his shareholding and the dividend declared, if any, by our Company.

PAYMENT AMOUNTS OR BENEFIT TO OUR PROMOTERS DURING THE LAST TWO YEARS

As on the date of this Prospectus, there has been no payment of amounts or benefits to the promoters during the last two years.

CONFIRMATIONS

For details on litigations and disputes pending against the Promoters and defaults made by them, please refer to the section titled "Outstanding Litigation and Material Developments" on Page 197 of the Prospectus. Our Promoters have not been declared as willful defaulter by the RBI or any other governmental authority and there are no violations of securities laws committed by our Promoters in the past or are pending against them.

RELATED PARTY TRANSACTIONS

For details on Related Party Transactions of our Company, please refer to Annexure 30 of restated financial statement under the section titled "Financial Information" on Page 151 of the Prospectus.

OUR PROMOTER GROUP/ GROUP COMPANIES / ENTITEIS

As per the requirements of SEBI ICDR Regulations, for the purpose of identification of 'group companies', our Company considered companies as covered under the applicable accounting standards (i.e. Accounting Standard 18 issued by the Institute of Chartered Accountants of India) on a consolidated basis, or other companies as considered material by our Board. Pursuant to the policy approved in the meeting of the Board of Directors of our Company held on May 18, 2016, the group entities shall be considered to be material if such companies as covered under the applicable accounting standards (i.e. Accounting Standard 18 issued by the Institute of Chartered Accountants of India) on a consolidated basis and such entities in which our Promoters holds individually or jointly, more than twenty per cent of issued, subscribed and paid up share capital or voting rights of such entities.

The following entities form part of our group companies as per the above defined criteria:

1. The KTM Jewellery Limited
2. KKV Gold N Retail Limited
3. TKC Investments – Partnership Firm
4. KKV Gold N Jubilee Foundation – Partnership Firm
5. SCM Associates – Partnership Firm

1. THE KTM JEWELLERY LIMITED (KTMJL)_

Corporate Information

The KTM Jewellery Limited was incorporated on July 14, 2000 under the provisions of Companies Act, 1956. The name of KTMJL was changed to "The KTM Jewellery Limited" on July 5, 2006 pursuant to a fresh certificate of incorporation consequent on name change. The Corporate Identification Number of KTMJL is U52393TZ2000PLC009431.The Registered Office of KTMJL is situated at #636, Oppanakara Street, Coimbatore- 641001.

The Main Objects of the Company is to carry on all or any of business of goldsmiths, silversmiths, jewellers, gem and diamond merchants and of manufacturing and dealing in clocks, watches, jewellery, cutlery and their components and accessories and of producing, acquiring and trading in metals, bullion, gold and silver utensils, diamonds, precious and semi-precious the business of manufacturing, producing, washing, packing, transporting, storing, buying, importing, exporting as broker, distributer, trader, export house in all types of textile goods, fabrics, cloths, yarn, leather, rubber cloth and readymade garments, terry garment, carpets, all sorts of apparels, artificial silk, hosiery etc.

KTMJL is in the business of Manufacturing and retailing of Jewellery and retailing of textiles.

Board of Directors
The Directors of The KTM Jewellery Limited on the date of this Prospectus are as follows:

Name	Designation
T.K.Chandiran	Managing Director
C.Selvi	Director
P.M.Sabhari Ekambaram	Director
Nagarajan Krishnamurthy	Director
K.Usmanali	Director

Shareholding Pattern

The Shareholding Pattern of The KTM Jewellery Limited as on date of this Prospectus:

Name	No. of Equity Shares held	% of Issued Capital
T.K.Chandiran	1,25,72,415	87%
TKC Investments(Beneficiary ownership held by Mr.T.K.Chandiran)	7,81,008	5%
C.Selvi	5,22,573	4%
A.C.Vineeth Kumar	5,20,958	4%
M.Shabari Egambaram	3,230	0%
A.Prasanna Anguraj	3,230	0%
M.Palaniammal	1,615	0%
B.Mohan	100	0%
Name	**No. of Preference Shares held**	**% of Issued Capital**
T.K.Chandiran	30,00,000	100%

Financial Information

(₹ in Lakhs, except per share data)

Particulars	March 31, 2015	March 31, 2014	March 31, 2013
Equity Capital	1740.51	1740.51	1000.00
Reserves and Surplus (excluding revaluation reserves)	1925.59	1146.25	647.91
Sales	40814.98	46602.00	36499.58
Profit/(loss) after tax	779.35	328.27	258.27
Earnings per share (in ₹)	5.41	2.28	2.58
Diluted earnings per share (in ₹)	5.41	2.28	4.95
Net worth	3666.11	2886.76	1647.91
Net asset value per share (in ₹)	25.45	20.04	16.48

2. KKV GOLD N RETAIL LIMITED ("KKVGRL")

Corporate Information

KKVGRL was incorporated on December 27, 2012 under the provisions of Companies Act, 1956.The Corporate Identification Number of the Company is U52393TZ2012PLC019067.The Registered Office of KKVGRL is situated at #636, Oppanakara Street, Coimbatore- 641001.

The Main Objects of KKVGRL is to carry on all or any of business of goldsmiths, silversmiths, jewelers, gem and diamond merchants and of manufacturing and dealing in clocks, watches, jewellery, cutlery and their components and accessories and of producing, acquiring and trading in metals, bullion, gold and silver utensils, diamonds, precious and semi-precious stones and imitation jewelers and items, painting, manuscripts, curios, antiques and objects of art made with any of the above items for domestic and international trade.

KKVGRL is in the business of Manufacturing and retailing of Jewellery and retailing of textiles.

Board of Directors
The Directors of The KKVGRL on the date of this Prospectus are as follows:

Name	Designation
T.K.Chandiran	Director
C.Selvi	Director
Bhagavan mohan	Director

Shareholding Pattern

The Shareholding Pattern of KKVGRL as on date of this Prospectus:

Name	No. of Equity Shares held	% of Issued Capital
T. K. Chandiran	32,704	63.00
C.Selvi	6,666	13.00
B. Mohan	10	0.00
The KTM Jewellery Limited	7,770	15.00
C.Renuka	100	0.00
SCM Global Brands Private Limited	1,700	3.00
C. Arun Kumar	200	0.00
R.Rathinam	1,000	2.00
P. Balakumar	100	0.00
N. Balasubramaniam	100	0.00
R. Ponnarasu	100	0.00
M. K. Raman Unni	100	0.00
S. Shankara Narayanan	100	0.00
A. Selvaraj	100	0.00
R Siva Kumar	100	0.00
P. Thanasekaran	100	0.00
T. Shanmughapriya	150	0.00
D. Kumudham	300	1.00
J. Vasanth	100	0.00
B. Kathiravan	100	0.00
P. Kannan	100	0.00
A. Karutha Pandiyan	100	0.00
S. Balakrishnan	100	0.00

Financial Information

(₹ in Lakhs, except per share data)

Particulars	March 31, 2015	March 31, 2014	March 31, 2013
Equity Capital	5.19	5.19	5.00
Reserves and Surplus (excluding revaluation reserves)	12.31	(0.63)	(0.51)
Sales	703.93	65.48	--
Profit/(loss) after tax	12.94	(0.05)	(0.51)
Earnings per share (in ₹)	24.93	(0.09)	(1.02)
Diluted earnings per share (in ₹)	24.93	(0.09)	(1.02)
Net worth	17.50	4.56	4.49
Net asset value per share (in ₹)	33.72	8.79	8.98

Significant Notes to Financial Statements of KKVGRL for FY 2015

a) Effective from April 1, 2014, the Company has, with retrospective effect, changed its method of providing depreciation on tangible fixed assets from Written Down Value method to Straight Line Method. Accordingly, depreciation is now provided on Straight Line Basis for all tangible fixed assets. Management believes that this change will result in more appropriate presentation and will give a systematic basis of depreciation charge, representative of the time pattern in which the economic benefits will be derived from the use of these assets

   Consequent to the above, the impact of the change in the method of providing depreciation up to May 31, 2014 amounting to ₹25,626 has been credited to the Statement of Profit and Loss for the year, Had the Company followed the existing policy, the balance in Net Tangible Fixed Assets, Reserves and Surplus and the profit for the year would have been lower by ₹25,626.

b) The Management of the Company has reassessed the useful life of tangible fixed assets in accordance with the Schedule II of Companies Act, 2013 and depreciation has been provided based on the remaining useful life of assets on a straight line basis.
   Consequent to the above, depreciation for the year is lower by ₹36,123.

Partnership Firms

3. TKC Investments

Corporate Information

M/s TKC Investments was constituted on April 1, 2004 under the India Partnership Act, 1932.TKC Investments was engaged in the business of Financial Investments. The office of TKC Investment situated at Kalidas Road, Ram Nagar, Coimbatore.

Interest of Promoters

The profit sharing ratio of our promoters in TKC Investments is as under

Particulars	Profit Sharing Ratio (%)
Mr T. K. Chandiran	50

Financial Information*

(₹ in Lakhs)

Particulars	March 31, 2015	March 31, 2014	March 31, 2013
Sales	4.08	8.86	34.58
Profit/(loss)after tax	0.49	0.71	2.80

*TKC Investments doesn't maintain its books of accounts as it files its Income Tax Returns under section 44AD as per which profits are deemed to be at least 8% of the sales.

4. KKV Gold N Jubilee Foundation(KKVGNJF)

Corporate Information

M/s KKV Gold N Jubilee Foundation was constituted on August 3rd 2012 under the India Partnership Act, 1932. KKVGNJF was engaged in the business of Khadhi Retail Showroom. The office of KKVGNJF is situated at Dhalavai Agraharam, Madurai.

Interest of Promoters

The profit sharing ratio of our promoters in KKVGNJF

Particulars	Profit Sharing Ratio (%)
Mr T. K. Chandiran	60%

Financial Information

(₹ in Lakhs)

Particulars	March 31, 2015	March 31, 2014	March 31, 2013
Partner's Capital	16.44	12.71	1.29
Sales	61.71	136.86	143.15
Profit/(loss)after tax	1.25	5.31	6.24
Net worth	16.44	12.71	1.29

5. SCM Associates

Corporate Information

M/s SCM Associates was constituted on December 12, 2010 under the India Partnership Act, 1932.SCM Associates was engaged in the business of Wholesale trading of cloth. The office of SCM Associates is situated at Tirupur.

Interest of Promoters

The profit sharing ratio of our promoters in SCM Associates

Particulars	Profit Sharing Ratio (%)
Mr T. K. Chandiran	80

Financial Information*

(₹inLakhs)

Particulars	March 31, 2015	March 31, 2014	March 31, 2013
Partner's Capital	10.00	10.00	10.00
Sales	0	0	0
Profit/(loss) aftertax	0	0	0
Net worth	10.00	10.00	10.00

*The firm has not been operating since inception.

CONFIRMATIONS

None of the Promoters and persons forming part of Promoter Group have been restrained from accessing the capital markets for any reasons by SEBI or any other authorities.

INTEREST OF OUR GROUP ENTITY

The KTM Jewellery Limited is not interested in the promotion of our Company except as disclosed in the section titled "Financial Statements" beginning on page 151 of this Prospectus and to the extent of their shareholding in our Company. The KTM Jewellery Limited do not have any other interest in our Company, expect as disclosed under the section "Our Business" of this Prospectus.

SALES BETWEEN GROUP ENTITIES AND ASSOCIATE COMPANIES

There have been sales and purchases between our company and two of the Group/Associate companies viz., The KTM Jewellery Limited and Space Textiles Pvt Ltd which exceeded in value in the aggregate 10% of the total sales or purchases of our Company for further details please refer page 151 as disclosed in Related Party Transactions under chapter titled "Financial Statements" of this Prospectus.

COMMON PURSUITS / CONFLICT OF INTEREST

Our Promoters are also interested in our Group Entity, M/s. The KTM Jewellery Limited which are involved in activities similar to those conducted by our Company. Our Company will adopt the necessary procedures and practices as permitted by law to address any conflict of interest as and when it may arise. Please see the section "*Risk Factors"* beginning on page 14 of this Prospectus.

LITIGATION/ DEFAULTS

For details relating to legal proceedings involving the Promoters and Promoter Group Entity, please refer the section titled "Outstanding Litigation and Material Developments" beginning on Page 197 of this Prospectus.

DISASSOCIATION WITH COMPANIES/FIRMS BY THE PROMOTERS OF OUR COMPANY DURING THE PRECEDING THREE (3) YEARS

Except from the below stated company, our Promoters have not disassociated themselves from any of the Companies/Partnership firms during preceding three years.

Our promoter Mr.T.K.Chandiran has disassociated with the below mentioned company as the company it has failed to file annual returns with the Ministry of Corporate affairs and IT returns with Income Tax Department .

NAWAD TECH, NO.423, K.R.S. COMPLEX, K.K. NAGAR, MADURAI, Tamil Nadu, INDIA 625020.

SICK COMPANIES/WINDING UP

None of our Group Companies have declared as a sick company under the Sick Industrial Companies (Special Provisions) Act, 1985.There is no winding up proceedings against our Group Companies.

LOSS MAKING GROUP COMPANIES

None of our group companies made losses in the preceding year.

DEFUNCT COMPANIES

Other than those disclosed, none of our Group companies have remained defunct during the preceding five years

PUBLIC/ RIGHTS ISSUE BY GROUP COMPANIES

None of our group companies have made a Public/ Rights issue in the preceding three years

RELATED PARTY TRANSACTIONS

For details on Related Party Transactions of our Company, please refer to Annexure 30 of restated financial statement under the section titled “Financial Information” on Page 151 of the Prospectus.

DIVIDEND POLICY

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 profits, capital requirements and overall financial condition. The Board may also from time to time pay interim dividends. All dividend payments are made in cash to the shareholders of our Company. No dividends were declared by our Company during the last three financial years.

SECTION V: FINANCIAL INFORMATION
FINANCIAL STATEMENTS

RESTATED FINANCIAL STATEMENTS

EXAMINATION REPORT ON RESTATED FINANCIAL STATEMENTS AS REQUIRED UNDER SECTION 26 OF COMPANIES ACT, 2013, READ WITH RULE 4 OF COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014

TO THE BOARD OF DIRECTORS OF

KKV Agro Powers Limited
VIVAGAA BUILDING,
NO. 637, OPPANAKARA STREET,
COIMBATORE - 641001.

Dear Sirs,

1. We have examined the attached Restated Financial Statements comprising Restated Balance sheet, Restated Summary Statement of Profit and Loss, Restated Cash Flow Statement and other financial information of **KKV Agro Powers Limited** (formerly known as Nachas Wind Energy Private Limited) ("**the Company'**) as at and for the nine months period ended 31 December, 2015, and as at and for the years/period ended March 31, 2015, March 31, 2014 and March 31, 2013 together with the Annexure and notes thereto (**"the Restated Financial Statements"**) as approved by the Board of Directors of the Company at their meeting held on 5th April 2016 for the purpose of inclusion in the offer document prepared by the Company in connection with its proposed Initial Public Offer (IPO) prepared in terms of the requirements of:

    a) Sub-clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 ("the Act") read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014 ("the Rules) to the extent applicable and

    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 ("SEBI-ICDR Regulations"),

2. We have examined such Restated Financial Statements taking into consideration

    a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 5th January 2016 in connection with the proposed IPO of the Company and

    b) The Guidance Note (Revised) on Reports in Company Prospectuses issued by the Institute of Chartered Accountants of India.

3. These Restated Financial Statements have been compiled by the Management from the Company's audited Financial Statements as at and for the nine months period ended December 31, 2015 and as at and for the years/period ended March 31, 2015, 2014 and 2013, which have been approved by Board of directors at their meetings held on 29th March 2016, 6th July 2015, 3rd September 2014 and 25th September 2013 and books of accounts underlying these financial statements and other records, for the presentation of the Restated financial statements.

4. Based on our examination, we further report that:

   a) The Restated Balance Sheet as at December 31, 2015, March 31, 2015, 2014 and 2013 examined by us, as set out in Annexure 1 to this examination report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in the significant accounting policies in Annexure 4 Statement of Adjustments to the audited financial statements enclosed in Annexure 5.

   b) The Restated Summary Statement of Profit and Loss for the nine months period ended December 31, 2015 and for the years/period ended March 31, 2015, 2014 and 2013 examined by us, as set out in Annexure 2 to this report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in the significant accounting policies in Annexure 4 and Statement of Adjustments to the audited financial statements enclosed as Annexure 5.

   c) The Restated Cash Flow Statement for the nine months period ended December 31, 2015 and years/period ended March 31, 2015, 2014 and 2013 examined by us, as set out in Annexure 3 to this report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in the significant accounting policies in Annexure 4 and Statement of Adjustments to the audited financial statements enclosed as Annexure 5.

   d) Based on our examination the Restated Financial Statements have been made after incorporating:

      (i) Adjustments for the changes, if any, in accounting policies retrospectively in respective financial years/period to reflect the same accounting treatment as per the changed accounting policy for all the reporting years/period.

      (ii) adjustments for prior period and other material amounts in the respective financial years/period to which they relate.

      (iii) There are no qualifications in the auditor's report on the financial statements of the company as at and for each of the years/period ended March 31st, 2013, 2014, 2015 and for the nine months ended 31st December 2015 which require any adjustment to the Restated Financial Statements.

      (iv) There are no extra-ordinary, discontinuing and exceptional items that need to be disclosed separately in the accounts requiring adjustments.

5. We have not audited any financial statements as of any date or for any period subsequent to December 31, 2015. Accordingly, we express no opinion on the financial position, results of the operations or cash flows of any date or for any period subsequent to December 31, 2015.

6. At the Company's request, We have also examined the following Restated Financial Information set out in the Annexure 6 - 33, proposed to be included in the offer document, prepared by the management and approved by the Board of Directors on 5th April 2016 as at and for the nine months ended December 31, 2015, and for the years/period ended March 31, 2015, 2014 and 2013.

   (i) Annexure 6 - Restated Summary Statement of Share Capital
   (ii) Annexure 7 - Restated Summary Statement of Reserves and Surplus
   (iii) Annexure 8 - Restated Summary Statement of Long-Term Borrowings
   (iv) Annexure 9 - Restated Summary Statement of Deferred Tax Liability
   (v) Annexure 10 - Restated Summary Statement of Long Term Provisions
   (vi) Annexure 11 - Restated Summary Statement of Short Term Borrowings
   (vii) Annexure 12 - Restated Summary Statement of Other Current Liabilities
   (viii) Annexure 13 - Restated Summary Statement of Short Term Provisions
   (ix) Annexure 14 - Restated Summary Statement of Fixed Assets
   (x) Annexure 15 - Restated Summary Statement of Long Term Loans and Advances
   (xi) Annexure 16 - Restated Summary Statement of Trade Receivables

(xii) Annexure 17 - Restated Summary Statement of Cash and Cash Equivalents
(xiii) Annexure 18 - Restated Summary Statement of Short Term Loans and Advances
(xiv) Annexure 19 - Restated Summary Statement of Other Current Assets
(xv) Annexure 20 - Restated Summary Statement of Revenue from Operations
(xvi) Annexure 21 - Restated Summary Statement of Other Income
(xvii) Annexure 22 - Restated Summary Statement of Power generation expenses
(xviii) Annexure 23 - Restated Summary Statement of Employee Benefit Expense
(xix) Annexure 24 - Restated Summary Statement of Finance Cost
(xx) Annexure 25 - Restated Summary Statement of Depreciation and Amortisation Expense
(xxi) Annexure 26 - Restated Summary Statement of Other Expenses
(xxii) Annexure 27 - Restated Summary Statement of Tax Shelter
(xxiii) Annexure 28 - Restated Summary Statement of Dividends
(xxiv) Annexure 29 - Restated Summary Statement of Capitalization Statement
(xxv) Annexure 30 - Restated Summary of Significant Transactions with Related Parties
(xxvi) Annexure 31 - Restated Summary Statement of Contingent Liabilities
(xxvii) Annexure 32 - Restated Statement of Accounting Ratios
(xxviii) Annexure 33 – Other Notes to Restated Financial Statements

7. In our opinion, the above financial information contained in Annexure 1 to 33 accompanying this report read along with the basis of preparation and significant accounting policies (Refer Annexure 4) are prepared after making material adjustments (Refer Annexure 5) and regroupings as considered appropriate and have been prepared in accordance with Section 26 of the Companies Act, 2013 read with The Companies (Prospectus and Allotment of Securities) Rules, 2014, to the extent applicable, the SEBI Regulations, the Guidance Note issued in this regard by the ICAI, as amended from time to time, and in terms of our engagement as agreed with you.

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 for inclusion in the offer document in connection with the proposed issue of equity shares of the Company. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

For M/s. Haribhakti & Co. LLP,
Chartered Accountants
Firm Registration Number: 103523W

G N Ramaswami
Partner
Membership No. 202363
Date: 5th April 2016
Place: Coimbatore

ANNEXURE 1:- RESTATED BALANCE SHEET

(In ₹ Lakhs)

PARTICULARS	Annexure No	As on 31-12-2015	As on 31-03-2015	As on 31-03-2014	As on 31-03-2013
EQUITY AND LIABILITIES					
(1) Shareholders' funds					
(a) Share Capital	6	96.76	96.76	96.76	6.76
(b) Reserves and Surplus	7	197.46	143.43	100.61	36.74
(2) Non-Current Liabilities					
(a) Long Term Borrowings	8	258.05	388.88	469.79	-
(b) Deferred Tax Liabilities (Net)	9	92.97	58.31	37.16	6.57
(c) Long Term Provisions	10	0.65	0.41	0.26	0.08
(3) Current Liabilities					
(a) Short Term Borrowings	11	480.22	480.32	-	-
(b) Other Current Liabilities	12	198.39	129.53	269.94	25.78
(c) Short Term Provisions	13	15.42	4.32	11.95	6.54
Total		**1,339.92**	**1,301.97**	**986.47**	**82.47**
II. ASSETS					
(1) Non-Current Assets					
(a) Fixed Assets					
(i) Tangible Assets	14	1,202.61	905.67	753.00	27.61
(b) Long Term Loans and Advances	15	65.57	75.69	43.83	0.05
(2) Current Assets					
(a) Trade Receivables	16	11.25	30.59	10.68	33.18
(b) Cash and Cash Equivalents	17	29.76	270.18	162.96	18.20
(c) Short Term Loans and Advances	18	6.77	10.09	16.00	-
(d) Other Current Assets	19	23.96	9.75	-	3.43
Total		**1,339.92**	**1,301.97**	**986.47**	**82.47**

The above statement should necessarily be read with the basis of preparation and significant accounting policies appearing in Annexure 4 to the Restated Financial Information, Statement of adjustments to audited financial statements appearing in Annexure 5 and other notes to Restated Financial Information appearing in Annexure 6 to 33H.

ANNEXURE 2: RESTATED STATEMENT OF PROFIT AND LOSS

(In ₹ Lakhs)

PARTICULARS	Annexure No	Nine Months ended 31-12-2015	2014-15	2013-14	From June 5, 2012 to March 31,2013
INCOME					
Revenue from Operations (Gross)	20	415.64	357.57	261.93	190.03
Other Income	21	0.03	0.18	-	-
Total Revenue		**415.67**	**357.75**	**261.93**	**190.03**
EXPENSES					
Power generation expenses	22	71.47	57.79	33.19	30.60
Employee Benefits Expense	23	22.63	20.37	17.28	3.26
Finance Costs	24	41.93	71.43	8.41	-
Depreciation & Amortisation Expense	25	55.98	52.89	2.10	1.37
Other Expenses	26	133.03	88.06	106.49	101.45
Total Expenses		**325.04**	**290.54**	**167.48**	**136.67**
Profit Before Tax		**90.63**	**67.21**	**94.46**	**53.35**
Less : Tax expense					
Current Tax		19.00	13.43	18.44	10.04
Deferred Tax		34.66	21.15	30.58	6.57
MAT Credit		(19.00)	(13.43)	(18.44)	-
For earlier years		(0.51)	-	-	-
Profit for the year		**56.47**	**46.06**	**63.87**	**36.74**
Earnings per Equity Share (Face Value of ₹ 10/-) in Rupees	33C				
- Basic & Diluted		**79.93**	**63.34**	**94.49**	**54.34**

The above statement should necessarily be read with the basis of preparation and significant accounting policies appearing in Annexure 4 to the Restated Financial Information, Statement of adjustments to audited financial statements appearing in Annexure 5 and other notes to Restated Financial Information appearing in Annexure 6 to 33H.

ANNEXURE 3: RESTATED OF CASH FLOW STATEMENT

(In ₹ Lakhs)

PARTICULARS	Nine Months ended 31-12-2015		2014-15		2013-14		From June 5, 2012 to March 31,2013	
Cash flow from operating activities								
Earnings Available with Equity Shares		54.03		42.82		63.87		36.73
Adjustments for :								
Depreciation	55.98		52.89		2.10		1.37	
Interest received	(0.03)		(0.18)		-		-	
Finance Costs	41.93		71.43		8.41		-	1.37
		97.88		124.14		10.51		
Operating Profit before working capital changes		**151.91**		**166.96**		**74.38**		**38.10**
Adjustments for :-								
Changes in Trade Receivables	19.34		(19.91)		22.50		(33.18)	
Changes in Long Term Loans and Advances	10.12		(31.85)		(43.78)		(0.05)	
Changes in Short Term Loans and Advances	3.32		5.91		(16.00)		-	
Changes in Other Current Liabilities	68.84		(140.40)		244.16		25.79	
Changes in Other Current Assets	(14.22)		(9.75)		3.44		(3.43)	
Changes in Non-Current Liabilities	34.66		21.15		30.59		6.57	
Changes in Long Term Provisions	0.24		0.15		0.17		0.08	
Changes in Short Term Provisions	11.10	133.41	(7.63)	(182.34)	5.41	246.49	6.54	2.32
Net cash from operating activities (A)		**285.32**		**(15.38)**		**320.87**		**40.42**
Cash flow from investing activities								
Purchase of Fixed Assets	(352.91)		(205.56)		(727.49)	-	(28.98)	
Interest received	0.03		0.18		-		-	
Net Cash (used in) / from investing activities (B)		**(352.88)**		**(205.38)**		**(727.49)**		**(28.98)**
Cash flow from financing activities								
Repayment of loans	(130.82)		(80.91)		(130.21)		-	
Proceeds from Long term Borrowings	-		-		600.00		-	

PARTICULARS	Nine Months ended 31-12-2015		2014-15		2013-14		From June 5, 2012 to March 31,2013	
Proceeds from Short Term Borrowings	(0.10)		480.32		-		-	
Proceeds from Issue of Preference Shares	-		-		90.00		-	
Proceeds from Issue of equity share capital	-		-		-		6.76	
Finance Costs paid	(41.93)		(71.43)		(8.41)		-	
Net Cash used in financing activities (C)		**(172.85)**		**327.99**		**551.38**		**6.76**
Net increase / (decrease) in cash and cash equivalents (A+B+C)		**(240.42)**		**107.22**		**144.76**		**18.21**
Cash and cash equivalents (Opening Balance)		270.18		162.96		18.20		-
Less : Bank Balances not considered as Cash and Cash equivalents as per Accounting Standard AS 3		-		-		-		-
Cash and cash equivalents(Closing Balance)		**29.76**		**270.18**		**162.96**		**18.21**

The above statement should necessarily be read with the basis of preparation and significant accounting policies appearing in Annexure 4 to the Restated Financial Information, Statement of adjustments to audited financial statements appearing in Annexure 5 and other notes to Restated Financial Information appearing in Annexure 6 to 33H.

ANNEXURE 4 RESTATED SIGNIFICANT ACCOUNTING POLICIES

1. CORPORATE INFORMATION

KKV Agro Powers Limited was incorporated as "Nachas Wind Energy Private Limited" on June 05, 2012 under the Companies Act, 1956, with the Registrar of Companies, Coimbatore, Tamil Nadu. Its name was changed to "KKV Agro Powers Private Limited" vide fresh certificate of incorporation dated May 12, 2015, Subsequently it was converted into public limited company and name of the company was changed to "KKV Agro Powers Limited" on May 18, 2015 vide fresh certificate of incorporation. The Registered office of the Company is situated at Vivagaa Building, # 637, Oppanakara Street, Coimbatore, Tamil Nadu, India – 641 001. The Corporate Identification Number of the company is U40108TZ2012PLC018332
The Company is primarily engaged in the business of generating and supplying electricity by setting up wind and solar power plants.

2. SIGNIFICANT ACCOUNTING POLICIES:

2.1 a) Basis of Preparation:

The restated summary Balance Sheet of the company as at December 31, 2015, March 31,2015, March 31,2014 and March 31,2013 and the related restated Statement of Profit and losses and cash flows for the nine months ended December 31,2015, for the year ended March 31,2015, March 31,2014 and for the period June 5,2013 to March 31, 2013 (herein collectively referred to as (Restated Summary Statements) have been complied by the management from the audited financial statements for the nine months ended December 31, 2015, for the year ended March 31,2015, March 31,2014 and March 31,2013 approved by the Board of Directors of the company which are prepared under the historical cost convention on the accrual basis of accounting and comply in all material respects with the accounting standards notified under section 133 of the Companies Act,2013('the act").

Restated summary statements have been prepared specifically for inclusion in the offer document to be filed by the company with the Securities and Exchange Board of India ("SEBI") in connection with its proposed Initial Public Offering of equity shares of ₹10 each.

These Restated summary statements have been prepared by the company to comply in all material respects with the requirements of Sub clause (i),(ii) and (iii) of clause (b) of Sub section (I) of Section 26 of Chapter III of the Companies Act, 2013 read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations,2009 ("the SEBI Guidelines") issued by SEBI on August 26,2009 as amended from time to time.

b) Use of Estimates

The preparation of Financial Statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenue, expenses and disclosures relating to contingent liabilities at the end of reporting period. Differences between the actual amounts and the estimates are recognised prospectively in the period in which the events are materialised.

2.2 Fixed Assets & Depreciation:

a) Fixed Assets are stated at original cost less accumulated depreciation and accumulated amortization. Costs include all expenses related to acquisition and installation of the concerned assets.

b) As at each Balance sheet date, the carrying amount of assets is tested for impairment so as to determine
i) The provision for impairment loss, if any, required or

ii) The reversal, if any, required of impairment loss recognized in previous periods.
Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount.

c) Depreciation is provided on written down value method using the rates prescribed under Schedule XIV to the Companies Act, 1956 upto March 31, 2014.
Effective from April 1, 2014, the company has with retrospective effect, changed its method of providing depreciation from "Written down Value" method to "Straight Line Value" method.
Consequent to the above, depreciation is provided on Straight line method based on the useful life as specified in Schedule II to Companies Act, 2013.

2.3 Investments:

a) Long Term Investments are stated at cost.
b) Current Investments are carried at lower of cost and fair value as on the Balance Sheet date.
c) Provision for diminution in value of long-term investments is made, if the diminution is other than temporary.

2.4 Inventories:

Inventories are valued at lower of cost and estimated net realizable value.

2.5 Foreign Currency Transaction:

a) Foreign Currency Transactions are recorded at exchange rates prevailing on the date of such transaction.
b) Foreign Currency assets and liabilities at the year-end are realigned at the exchange rate prevailing at the year end and the difference on realignment is recognized in the Statement of profit & Loss.
c) Premium / Discount in respect of Forward contract are amortized as expense / income over the period of contract. Exchange difference arising on forward contracts between the exchange rate on the date of the transaction and the exchange rate prevailing at the year-end is recognized in the Statement of Profit & Loss.

2.6 Revenue Recognition:

a) Revenue is generally recognized and expenditure is accounted for on their accrual except those with significant uncertainties.
b) Revenue from Sale of goods is recognized when the risk and rewards of ownership are passed on to the customers, which is generally on dispatch of goods.
c) Insurance claims are accounted, as and when settled or received.
d) Revenue from sale of Renewable Energy Certificates (REC) are recognised as and when the certainty of its recoverable value is ascertained and when the certificates are transferred to the buyer.
e) Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

2.7 Taxes on Income:

a) Current Tax on income is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income tax act 1961, and based on the expected outcome of assessments/appeals.
b) Deferred tax assets are recognized and carried forward to the extent that there is a virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets on business loss and unabsorbed depreciation are recognized and carried forward to the extent that there is virtual certainty that sufficient taxable income will be available against which such deferred tax asset can be realised.
c) Minimum Alternative Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the

recommendations contained in guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

2.8 Employee Benefits:

a) Short-term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.
b) Payments to defined contribution schemes are charged as expense as and when incurred.
c) Post-employment and other long term, benefits, which are defined benefit plans, are recognised as an expense in the Statement of Profit and Loss for the year in which the employee has rendered service. The expense is recognised based on the present value of the obligation determined in accordance with Accounting Standard 15 on "Employee Benefits". Actuarial gains & losses are charged to the Statement of Profit and Loss.
d) Termination benefits are recognised as an expense, as and when incurred.

2.9 Borrowing Cost:

a) Interest and other related costs, including amortized costs of borrowings related to the project or acquisition of qualifying assets are capitalized as part of the respective assets. All the other borrowing costs are charged to revenue.
b) A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale.

2.10 Earnings per Share:

a) Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity Shareholders by the the weighted average number of equity shares outstanding during the period.
b) For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.11 Provisions:

a) A provision is recognised when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources would be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined.
b) A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

2.12 Cash and Cash Equivalents:

Cash flow is reported using indirect method, whereby net profit before tax is adjusted for the effects of transaction of a non cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow comprises regular revenue generating, investing and financing activities of the company. Cash and cash equivalents in the balance sheet comprise of cash at bank and in hand and short term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

ANNEXURE 5 NOTE ON MATERIAL ADJUSTMENTS

The summary of results of restatement made to the audited financial statements for the respective years and its impact on the profit / (loss) of the Company is as follows:

(in ₹Lakhs)

Particulars	Nine Months ended 31-12-2015	31-03-2015	31-03-2014	From June 5, 2012 to March 31,2013
A) Net profit as per audited financial statements	56.47	49.82	61.79	35.07
B) Adjustments				
Add : Change in method of Depreciation from WDV to SLM	-		3.29	2.53
Less : Impact of Depreciation given for earlier years	-	(5.82)	-	-
Less : Deferred tax impact due to change in method of depreciation	-	1.80	(1.02)	(0.78)
Less:- Gratuity Expense	-	-	-	-
Restated Net Profit (A- B)	**56.47**	**46.06**	**63.87**	**36.74**

Effective April 1, 2014, the Company had, with retrospective effect, changed its method of providing depreciation on tangible fixed assets from 'Written Down Value' method to 'Straight Line' method. Management believes that this change will result in more appropriate presentation and will give a systematic basis of depreciation charge, representative of the time pattern in which the economic benefits will be derived from the use of these assets. For the purpose of the Restated Summary Statements, such adjustments (net of tax impact) has been adjusted in the necessary years to which the charge/ reversal pertains to.

ANNEXURE 6 -

RESTATED SUMMARY STATEMENT OF SHARE CAPITAL **(in ₹ Lakhs)**

Particulars	As on 30-12-2015	As on 31-03-2015	As on 31-03-2014	As on 31-03-2013
Authorised				
1,10,00,000 Equity Shares of ₹ 10/- each (Previous Year – 1,00,000 Shares)	1,100.00	10.00	10.00	10.00
1,00,000 3% Redeemable Cumulative preference shares of ₹ 100/- each (Previous Year – 90,000 Shares)	100.00	90.00	90.00	-
Issued, Subscribed and fully Paid-up				
67,600 Equity Shares of ₹ 10/- each	6.76	6.76	6.76	6.76
90,000 3% Redeemable Cumulative preference shares of ₹ 100/- each	90.00	90.00	90.00	-
	96.76	**96.76**	**96.76**	**6.76**

a. Reconciliation of the Shares Outstanding at the beginning and at the end of the reporting period :

Equity Shares

Particulars	31-12-2015		31-03-2015		31-03-2014		31-03-2013	
	No.of Shares in lakhs	₹ In Lakhs	No.of Shares in lakhs	₹ In Lakhs	No.of Shares in lakhs	₹ In Lakhs	No.of Shares in lakhs	₹ In Lakhs
At the beginning of the period	0.68	6.76	0.68	6.76	0.68	6.76	-	-
Add : Shares issued during the year	-	-	-	-	-	-	0.68	6.76
Less: Shares bought back during the year	-	-	-	-	-	-	-	-
At the closing of the period	**0.68**	**6.76**	**0.68**	**6.76**	**0.68**	**6.76**	**0.68**	**6.76**

3% Cumulative Preference Shares:

Particulars	31-12-2015		31-03-2015		31-03-2014		31-03-2013	
	No of Shares in lakhs	₹ In Lakhs	No of Shares in lakhs	₹ In Lakhs	No of Shares in lakhs	₹ In Lakhs	No of Shares in lakhs	₹ In Lakhs
At the beginning of the period	0.90	90.00	0.90	90.00	-	-	-	-
Add : Shares issued during the year	-	-	-	-	0.90	90.00	-	-
Less: Shares bought back during the year	-	-	-	-	-	-	-	-
At the closing of the period	**0.90**	**90.00**	**0.90**	**90.00**	**0.90**	**90.00**	**-**	**-**

b. Terms / rights attached to equity shares :

- The company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share.
- The final dividend declared, if any, is subject to the approval of the members in the Annual General Meeting.

c. Terms/rights attached to preference shares :

- The preference shares are redeemable at par at any time after the expiry of 3 years from the date of issue i.e.,31-03-2014.
- The preference shareholders have voting rights only in respect of matters directly affecting the rights of Preference Shareholders.
- The preference shareholders have preference on the distribution of the dividend.

d. Details of Shareholders holding more than 5% shares in the company :

Equity shares

Name of the Shareholder	31-12-15		31-03-15		31-03-14		31-03-13	
	No of Shares in Lakhs	% Held	No of Shares in Lakhs	% Held	No of Shares in Lakhs	% Held	No of Shares in Lakhs	% Held
Mr.T.K.Chandiran	0.37	55.11%	0.37	55.14%	0.37	55.10%	0.40	59.17%
Mrs.C.Selvi	0.10	14.79%	0.10	14.79%	0.10	14.79%	0.10	14.79%
SKM Animal Feeds and Foods (India) Ltd	0.17	25.78%	0.17	25.78%	0.18	26.04%	0.18	26.04%

3% Redeemable Cumulative preference shares:

Name of the Shareholder	31-12-15		31-03-15		31-03-14		31-03-13	
	No of Shares In Lakhs	% Held	No of Shares In Lakhs	% Held	No of Shares In Lakhs	% Held	No of Shares In Lakhs	% Held
T.K.Chandiran	0.90	100.00%	0.90	100.00%	0.90	100.00%	Nil	Nil

(In ₹ Lakhs)

Particulars	As on 31-12-2015	As on 31-03-2015	As on 31-03-2014	As on 31-03-2013
Arrears of Dividend on Cumulative Redeemable Preference Shares	5.68	3.24	-	-

ANNEXURE 7 - RESTATED SUMMARY STATEMENT OF RESERVES AND SURPLUS **(In ₹ Lakhs)**

Particulars	As on 31-12-2015	As on 31-03-2015	As on 31-03-2014	As on 31-03-2013
Surplus in the Statement of Profit & Loss				
Opening Balance	143.43	100.61	36.74	-
Add : Profit for the year	56.47	46.06	63.87	36.74
Less : Arrears of Dividend on Cumulative Redeemable Preference Shares	2.44	3.24	-	-
Closing Balance	**197.46**	**143.43**	**100.61**	**36.74**

ANNEXURE 8 - RESTATED SUMMARY STATEMENT OF LONG-TERM BORROWINGS **(In ₹ Lakhs)**

Particulars	Non Current Portion				Current Maturities			
	31-12-2015	31-03-2015	31-03-2014	31-03-2013	31-12-2015	31-03-2015	31-03-2014	31-03-2013
Secured Loans :								
a. Rupee Term Loans From Banks	258.05	388.88	469.79	-	120.00	120.00	100.00	-
Amount disclosed under the head other current liabilities ***(Refer Annexure 12)***	-	-	-	-	(120.00)	(120.00)	(100.00)	-
Total	**258.05**	**388.88**	**469.79**	**-**	**-**	**-**	**-**	**-**

- Term Loan from Indian Bank is secured by (a) Exclusive Hypothecation of specific Plant & Machinery purchased out of the term loan which is located at Uthamapalayam Village, Tirupur District (b) Exclusive Equitable Mortgage of land measuring 6.70 acres at Uthamapalayam Village, Tirupur District, TamilNadu by deposit of title deed (c) Personal Guarantee by the directors T K Chandiran and C.Selvi.

- The Loan is repayable in 60 monthly installments of ₹10 Lakhs each.
- The interest is payable on monthly basis and the rate of interest is BLR + 2.65%.
- Prepayment Penalty is 2% on the amount of prepayment

ANNEXURE 9 - RESTATED SUMMARY STATEMENT OF DEFERRED TAX LIABILITY **(In ₹ Lakhs)**

Particulars	As on 31-12-2015	As on 31-03-2015	As on 31-03-2014	As on 31-03-2013
Deferred Tax Liability				
- Fixed Assets	313.38	206.79	114.39	6.57
	-	-	-	-
Deferred Tax Asset	-	-	-	-
- On others	220.42	148.48	77.23	-
	-	-	-	-
Net Deferred Tax Liability	**92.97**	**58.31**	**37.16**	**6.57**

ANNEXURE 10 - RESTATED SUMMARY STATEMENT OF LONG TERM PROVISIONS **(In ₹ Lakhs)**

Particulars	As on 31-12-2015	As on 31-03-2015	As on 31-03-2014	As on 31-03-2013
For Gratuity	0.65	0.41	0.26	0.08
Total	**0.65**	**0.41**	**0.26**	**0.08**

ANNEXURE 11 - RESTATED SUMMARY STATEMENT OF SHORT TERM BORROWINGS **(In ₹ Lakhs)**

Particulars	As on 31-12-2015	As on 31-03-2015	As on 31-03-2014	As on 31-03-2013
Unsecured				
Loan from Director	480.22	480.32	-	-
Total	**480.22**	**480.32**	**-**	**-**

- The Loan is interest free and is repayable on demand

ANNEXURE 12 - RESTATED SUMMARY STATEMENT OF OTHER CURRENT LIABILITIES **(In ₹ Lakhs)**

Particulars	As on 31-12-2015	As on 31-03-2015	As on 31-03-2014	As on 31-03-2013
Current Maturities of Long Term Debt	120.00	120.00	100.00	-
Interest Accrued but not due on loans	-	-	3.80	-
Statutory Dues Payable	1.98	1.49	4.41	1.40
Creditors for Capital Goods	-	-	118.99	-
Security Deposit Received	-	-	15.00	-
Dues to Related Parties	64.05	-	-	-

Other Payables	6.68	4.80	27.74	24.38
Arrears of Dividend on Cumulative Redeemable Preference Shares	5.68	3.24	-	-
Total	**198.39**	**129.54**	**269.94**	**25.78**

ANNEXURE 13 - RESTATED SUMMARY STATEMENT OF SHORT TERM PROVISIONS **(In ₹ Lakhs)**

Particulars	As on 31-12-2015	As on 31-03-2015	As on 31-03-2014	As on 31-03-2013
For Gratuity	0.00	-	-	-
For Taxation	15.42	4.32	11.95	6.54
Total	**15.42**	**4.32**	**11.95**	**6.54**

ANNEXURE 14- RESTATED SUMMARY STATEMENT OF FIXED ASSETS

(In ₹ Lakhs)

For the Nine Month Period ending December 2015

	Gross Block				Depreciation				Net Block	
Particulars	***01-Apr-15***	***Addition / Adjustments during the period***	***Deduction / Adjustments during the period***	***31-Dec-15***	***01-Apr-15***	***For the period***	***Deduction / Adjustments during the period***	***31-Dec-15***	**As on 31-12-2015**	**As on 31.03.2015**
Tangible Assets										
Land	28.77	-	-	28.77	-	-	-	-	28.77	28.77
Building	7.13	-	-	7.13	1.03	1.02	-	2.05	5.08	6.11
Plant and Machinery	880.09	351.50	-	1,231.59	50.40	50.48	-	100.88	1,130.72	829.70
Computers	4.70	0.13	-	4.83	1.73	0.78	-	2.51	2.32	2.96
Furniture & Fittings	0.58	-	-	0.58	0.11	0.04	-	0.15	0.43	0.47
Office Equipments	0.21	0.48	-	0.69	0.02	0.06	-	0.08	0.61	0.17
Electrical Fittings	2.76	0.80	-	3.56	0.12	0.23	-	0.35	3.21	2.64
Motor Vehicles	37.77	-	-	37.77	2.93	3.37	-	6.30	31.47	34.85
Total	**962.01**	**352.91**	**-**	**1,314.92**	**56.34**	**55.98**	**-**	**112.32**	**1,202.61**	**905.67**
Previous Year (2014-2015)	756.46	205.6	-	962.0	9.28	52.9	5.82	56.35	905.67	753.00

For Financial Year 2014-15 **(In ₹ Lakhs)**

Particulars	Gross Block				Depreciation				Net Block	
	01-Apr-14	*Addition / Adjustments during the year*	*Deduction / Adjustments during the year*	*31-Mar-15*	*01-Apr-14*	*For the year*	*Deduction / Adjustments during the year*	*31-Mar-15*	**As on 31.03.2015**	**As on 31.03.2014**
Tangible Assets										
Land	28.77	-	-	28.77	-	-	-	-	28.77	28.77
Building	-	7.13	-	7.13	-	1.02	-	1.02	6.10	-
Plant and Machinery	723.92	156.17	-	880.09	2.99	47.41	-	50.40	829.69	720.93
Computers	2.61	2.10	-	4.71	0.42	1.32	-	1.74	2.97	2.20
Furniture & Fittings	0.58	-	-	0.58	0.05	0.06	-	0.11	0.47	0.53
Office Equipments	0.17	0.05	-	0.22	0.00	0.03	-	0.03	0.19	0.16
Electrical Fittings	0.41	2.34	-	2.75	0.00	0.11	-	0.11	2.64	0.41
Motor Vehicles	-	37.77	-	37.77	-	2.93	-	2.93	34.84	-
Total	**756.46**	**205.56**	**-**	**962.02**	**3.46**	**52.88**	**-**	**56.34**	**905.67**	**753.00**
Previous Year (2013- 14)	28.98	727.49	-	756.46	1.37	2.09	-	3.46	753.00	27.61

FOR FINANCIAL YEAR 2013-14 **(In ₹ Lakhs)**

Particulars	Gross Block				Depreciation				Net Block	
	01-Apr-13	*Addition / Adjustments during the year*	*Deduction / Adjustments during the year*	*31-Mar-14*	*01-Apr-13*	*For the year*	*Deduction / Adjustments during the year*	*31-Mar-14*	**As on 31.03.2014**	**As on 31.03.2013**
Tangible Assets										
Land	-	28.77	-	28.77	-	-	-	-	28.77	-
Plant and Equipments	27.30	696.62	-	723.92	1.18	1.81	-	2.99	720.93	26.12

Computers	1.27	1.35	-	2.61	0.17	0.25	-	0.42	2.20	1.10
Furniture & Fittings	0.41	0.17	-	0.58	0.02	0.03	-	0.05	0.53	0.39
Office Equipments	-	0.17	-	0.17	-	0.00	-	0.00	0.16	-
Electrical Fittings	-	0.41	-	0.41	-	0.00	-	0.00	0.41	-
Total	**28.98**	**727.49**	**-**	**756.46**	**1.37**	**2.09**	-	**3.46**	**753.00**	**27.61**
Previous Year (2012-13)	-	28.98	-	28.98	-	1.37	-	1.37	27.61	-

FOR FINANCIAL YEAR 2012-13 **(In ₹ Lakhs)**

Particulars	**Gross Block**				**Depreciation**				**Net Block**	
	01-Apr-12	**Addition / Adjustments during the period**	**Deduction / Adjustments during the period**	**31-Mar-13**	**01-Apr-12**	**For the period**	**Deduction / Adjustments during the period**	**31-Mar-13**	**As on 31.03.2013**	**As on 31.03.2012**
Tangible Assets										
Plant and Equipments	-	27.30	-	27.30	-	1.18	-	1.18	26.12	-
Computer	-	1.27	-	1.27	-	0.17	-	0.17	1.10	-
Furniture & Fittings	-	0.41	-	0.41	-	0.02	-	0.02	0.39	-
Total	-	28.98	-	28.98	-	1.37	-	1.37	27.61	-

ANNEXURE 15 - RESTATED SUMMARY STATEMENT OF LONG TERM LOANS AND ADVANCES

(In ₹ Lakhs) **(In ₹ Lakhs)**

Particulars	As on 31-12-2015	As on 31-03-2015	As on 31-03-2014	As on 31-03-2013
Unsecured, considered good				
Capital Advances	-	24.56	-	-
Security Deposits	1.05	1.05	1.05	0.05
MAT Credit Entitlement	50.86	31.86	18.43	-
Prepaid Expenses	13.66	18.22	24.35	-
Total	**65.57**	**75.69**	**43.83**	**0.05**

ANNEXURE 16 - RESTATED SUMMARY STATEMENT OF TRADE RECEIVABLES **(In ₹ Lakhs)**

Particulars	As on 31-12-2015	As on 31-03-2015	As on 31-03-2014	As on 31-03-2013
a) Outstanding for a period exceeding six months				
i) Unsecured Considered Good	1.46	4.87	-	-
b) Outstanding for a period less than six months	6.39	11.90	10.68	33.18
i) Unsecured Considered Good				
Due from Related Party	3.40	13.82		
Total	**11.25**	**30.59**	**10.68**	**33.18**

ANNEXURE 17 - RESTATED SUMMARY STATEMENT OF CASH AND CASH EQUIVALENTS **(In ₹ Lakhs)**

Particulars	As on 31-12-2015	As on 31-03-2015	As on 31-03-2014	As on 31-03-2013
Cash on hand	9.85	11.07	12.48	0.03
Balances with Banks				
In Current Account	19.91	259.11	150.48	18.17
Total	**29.76**	**270.18**	**162.96**	**18.20**

ANNEXURE 18 - RESTATED SUMMARY STATEMENT OF SHORT TERM LOANS AND ADVANCES **(In ₹ Lakhs)**

Particulars	As on 31-12-2015	As on 31-03-2015	As on 31-03-2014	As on 31-03-2013
Unsecured Considered Good				
Advance for expenses	-	0.67	-	-
Staff Advance	0.70	-	-	-
Balances with Government Authorities	-	-	10.00	-
Prepaid Expenses	6.07	9.42	6.00	-
Total	**6.77**	**10.09**	**16.00**	**-**

ANNEXURE 19 - RESTATED SUMMARY STATEMENT OF OTHER CURRENT ASSETS **(In ₹ Lakhs)**

Particulars	As on 31-12-2015	As on 31-03-2015	As on 31-03-2014	As on 31-03-2013
Energy Charges Receivable	23.81	9.75	-	-
Dues from Related Party	-	-	-	3.43
Other Receivables	0.15	-	-	-
Total	**23.96**	**9.75**	**-**	**3.43**

ANNEXURE 20 - RESTATED SUMMARY STATEMENT OF REVENUE FROM OPERATIONS **(In ₹ Lakhs)**

Particulars	Nine Months ended 31-12-2015	2014-15	2013-14	From June 5, 2012 to March 31,2013
Sale of Electricity	391.03	353.97	261.93	190.03
Other Operating income :-				
Sale of Renewable Energy Certificates	24.61	3.60	-	-
Total	**415.64**	**357.57**	**261.93**	**190.03**

ANNEXURE 21 - RESTATED SUMMARY STATEMENT OF OTHER INCOME **(In ₹ Lakhs)**

Particulars	Nine Months ended 31-12-2015	2014-15	2013-14	From June 5, 2012 to March 31,2013
Interest on Fixed deposit	0.03	0.18	-	-
Total	**0.03**	**0.18**	**-**	**-**

ANNEXURE 22 - RESTATED SUMMARY STATEMENT OF POWER GENERATION EXPENSES **(In ₹ Lakhs)**

Particulars	Nine Months ended 31-12-2015	2014-15	2013-14	From June 5, 2012 to March 31,2013
Banking Charges	8.42	12.45	7.28	6.39
Transmission & Wheeling Charges	33.75	22.53	15.48	18.25
Other Operating power generating expenses	28.94	22.52	10.43	5.96
REC Application & Trading Fees	0.36	0.29	-	-
Total	**71.47**	**57.79**	**33.19**	**30.60**

ANNEXURE 23 - RESTATED SUMMARY STATEMENT OF EMPLOYEE BENEFIT EXPENSE **(In ₹ Lakhs)**

Particulars	Nine Months ended 31-12-2015	2014-15	2013-14	From June 5, 2012 to March 31,2013
Salaries & Wages	18.78	17.00	15.45	2.40
Bonus	1.13	1.34	1.35	0.24
Contribution to Provident and other funds	2.04	1.53	-	-
Staff Welfare Expenses	0.44	0.34	0.31	0.54
Gratuity Expense	0.24	0.15	0.17	0.08
Total	**22.63**	**20.37**	**17.28**	**3.26**

ANNEXURE 24 - RESTATED SUMMARY STATEMENT OF FINANCE COST **(In ₹ Lakhs)**

Particulars	Nine Months ended 31-12-2015	2014-15	2013-14	From June 5, 2012 to March 31,2013
Interest Expenses	41.50	70.62	4.63	-
Other Borrowing Costs	0.43	0.81	3.78	-
Total	**41.93**	**71.43**	**8.41**	**-**

ANNEXURE 25 - RESTATED SUMMARY STATEMENT OF DEPRECIATION AND AMORTISATION EXPENSE **(In ₹ Lakhs)**

Particulars	Nine Months ended 31-12-2015	2014-15	2013-14	From June 5, 2012 to March 31,2013
Depreciation	55.98	52.89	2.10	1.37
Total	**55.98**	**52.89**	**2.10**	**1.37**

ANNEXURE 26 - RESTATED SUMMARY STATEMENT OF OTHER EXPENSES **(In ₹ Lakhs)**

Particulars	Nine Months ended 31-12-2015	2014-15	2013-14	From June 5, 2012 to March 31,2013
Repairs and Maintenance :	-	-	-	-
- Machinery	76.34	42.56	34.75	54.09
- Vehicles	0.74	1.25	-	-
- Others	1.33	2.63	0.21	20.80
TNEB Registration Fees	-	-	-	4.33
Telephone Charges	0.63	0.70	0.83	-
Rent	2.06	2.76	10.50	0.28
Rates & taxes	10.78	0.84	1.49	0.03
Insurance	3.43	0.80	0.59	0.45
Bank Charges	0.06	0.09	0.35	-
Travelling Expenses	1.81	0.88	2.66	0.07
Commission	4.13	5.84	5.29	2.32
Royalty	2.08	1.79	-	-
Director's Remuneration	18.60	17.70	14.25	4.00
Auditors' Remuneration	2.76	3.08	2.06	1.69
Professional Charges	6.70	5.42	31.87	10.439
Security Charges	-	-	-	1.60
Miscellaneous Expenses	1.45	1.42	1.13	1.40
Donations	0.14	0.30	0.51	-
Total	**133.03**	**88.06**	**106.49**	**101.45**

Annexure 27 - Restated Summary of Statement of Tax shelter

(In ₹ Lakhs)

Particulars	As at			
	31-Dec-15	31-Mar-15	31-Mar-14	31-Mar-13
Tax rate - Normal (including surcharge and education cess where applicable)	30.90%	30.90%	30.90%	30.90%
Tax rate - MAT (including surcharge and education cess where applicable)	19.055%	19.055%	19.055%	19.055%
Profit before tax, As restated (A)	**90.63**	**67.21**	**94.46**	**53.35**
Profit Before Tax - A	**90.63**	**67.21**	**94.46**	**53.35**
Adjustments				
Permanent differences				
Interest on TDS	0.11	0.29	0.18	0.01
Fees paid for increase in Authorised Share Capital	8.25	-	1.30	-
Capital Expenditure related to increase in Share capital included in Professional charges & Rates and taxes disallowed U/s 37.	5.08	-	-	-
Interest paid under Income tax act,1961	0.43	0.81	1.42	-
Interest charged off in books but capitalised as per provisions of Sec 36(i)(iii)	-	-	4.62	
Disallowance u/s 40(a)(ia)	-	-	0.15	-
Other disallowances	0.53	0.30	0.51	-
Total Permanent differences - B	**14.40**	**1.41**	**8.18**	**0.01**
Timing differences				
Differences between Book depreciation and Tax depreciation	(363.63)	(298.87)	(353.53)	(21.28)
Preliminary Expenses	0.08	(0.08)	(0.08)	0.34
Total Timing differences - C	**(363.55)**	**(298.96)**	**(353.61)**	**(20.94)**
Net adjustments(D)=(B+C)	**(349.14)**	**(297.55)**	**(345.44)**	**(20.93)**
Profit after Adjustments (E)=(A+/-D)	**(244.11)**	**(228.93)**	**(242.781)**	**32.42**
Tax as per normal provisions	**-**	**-**	**-**	**9.75**

Total Tax as per normal provisions	**-**	**-**	**-**	**10.04**
Total Tax as per MAT	**19.00**	**13.43**	**18.43**	**9.70**
Less: MAT Credit U/s 115JA	-	-	-	-
Total tax as restated	19.00	13.43	18.44	10.04
Interest as per audited financial statements	-	0.81	1.42	0.87
Total tax as restated	**19.00**	**14.24**	**19.85**	**10.91**
Current tax impact on restatement adjustments	-	(0.59)	0.59	0
Tax as per Audited Financial Statements	19.00	14.84	19.26	10.91

Note:
1) The aforesaid statement of Tax shelter has been prepared as per the Restated Summary Statement of Profit and Loss of the Company.
2) The above statement should necessarily be read with the basis of preparation and significant accounting policies appearing in Annexure 4 to the Restated Financial Information, Statement of adjustments to audited financial statements appearing in Annexure 5 and other notes to Restated Financial Information appearing in Annexure 6 to 33H.

ANNEXURE 28 RESTATED SUMMARY STATEMENT OF DIVIDENDS

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 profits, capital requirements and overall financial condition. The Board may also from time to time pay interim dividends. All dividend payments are made in cash to the shareholders of the Company. No dividends have been declared and paid by our Company since inception.

Annexure 29 - Restated Summary statement of Capitalisation Statement *

(In ₹ Lakhs)

PARTICULARS	Pre Issue as at 31st December, 2015	Post Issue
Borrowings:		
Short Term (A)	480.22	480.22
Long Term (B)	378.05	(-)
Total Debt (C=A+B)	**858.28**	480.22
Share Holders Fund		
Share Capital (D)	96.76	126.28
Reserves and Surplus (E)	197.46	1112.58
Total Share Holders Fund (F=D+E)	**294.22**	1238.86

Long Term Borrowings/Equity Ratio (B/F)	1.28	(-)
Total Borrowing Equity Ratio (C/F)	2.92	0.39

Note:

1. The above has been computed on the basis of the restated summary statements of assets and liabilities of the company as on 31st December, 2015.

2. Short term borrowings is considered as borrowing due within 12 months from the balance sheet date.

3. Long term borrowings is considered as borrowing other than short term borrowing, as defined above and also includes the current maturities of long term borrowings.
   *As certified by the statutory auditors of the company, Harbibhakti & Co LLP on 25-05-2016

ANNEXURE 30 - RESTATED SUMMARY OF SIGNIFICANT TRANSACTIONS WITH RELATED PARTIES

(i) List of related parties with whom transactions have taken place during the years 2012-13, 2013-14 and 2014-15 and nine months ended 31-12-2015 and relationship:

(a) Key Management Personnel:

- Mr.T.K.Chandiran
- Mrs.C.Selvi
- Mr.A.C.Vineeth Kumar

(b) Others:

- The KTM Jewellery Limited
- KKV Gold N Retail Limited
- Space Textiles Private Limited
- SCM Global Brands Private Limited

SKM Animal Feeds & Foods (India) Limited holds shares for the limited purpose of captive user of power generated by the company and hence it is not an Associate within the meaning of AS-18 "Related Parties."

(ii) Related Party Transactions: (In ₹ Lakhs)

Nature of Transaction	Key Management Personnel							
	April - December 2015	**Payment details April - December 2015**	**2014-15**	**Payment details 2014-15**	**2013-14**	**Payment details 2013-14**	**From June 5, 2012 to March 31,2013**	**Payment details - From June 5, 2012 to March 31,2013**
Director's Remuneration	18.60	15.27	17.70	17.70	14.25	14.07	4.00	4.00
Royalty payment	-	-	-	-	-	-	-	-
Purchase of Fixed Assets	-	-	-	-	-	-	6.83	6.83
Security Deposit Received	-	-	-	-	-	-	-	-
Receiving of Services/Reimbursement of expenses paid	-	-	-	-	9.48	9.48	-	-
Sale of Wind energy	-	-	-	-	-	-	-	-
Cumulative Redeemable preference shares allotted	-	-	-	-	90.00	-	-	-
Loan from Director	0.24	0.24	480.32	Not Paid				
Closing balances :	-		-		-		-	-
Advances given for purchase of fixed assets	-		-		-		-	-
Loan from Director	480.22	Not Paid	480.32		-		-	-
Dues from related parties	-	-	-	-	-	-	-	-
Dues to related parties	3.33	1.73	-	-	0.19	0.19	-	-

Nature of Transaction	Others							
	April - December 2015	**Payment details - April - December 2015**	**2014-15**	**Payment details - 2014-15**	**2013-14**	**Payment details - 2013-14**	**From June 5, 2012 to March 31,2013**	**Payment details - From June 5, 2012 to March 31,2013**
Director's Remuneration	-	-	-	-	-	-	-	-
Royalty payment	2.08	Not paid	1.79	-	-	-	-	-
Purchase of Fixed Assets	350.00	250.00	150.00	150.00	-	-	20.48	20.48
Security Deposit Received	-	-	-	-	15.00	15.00	-	-
Receiving of Services/Reimbursement of expenses paid	22.70	Not paid	144.02	144.02	71.35	52.92	95.18	28.73
Sale of Wind energy	118.57	75.85	25.25	11.43	-	-	69.88	-
Cumulative Redeemable preference shares allotted	-	-	-	-	-	-	-	-
Loan from Director	-	-	-	-	-	-	-	-
Closing balances :								
Advances given for purchase of fixed assets	-		23.06	-	-	-	-	-
Loan from Director	-	-	-	-	-	-	-	-
Dues from related parties	3.40	1.83	13.82	12.36	-	-	3.43	-
Dues to related parties	60.72	0.81	1.61	1.61	15.00	-	-	-

ANNEXURE 31 - RESTATED SUMMARY STATEMENT OF CONTINGENT LIABILITIES **(In ₹ Lakhs)**

Particulars	Nine Months ended 31-12-2015	2014-15	2013-14	From June 5, 2012 to March 31,2013
Contingent Liabilities and Commitments	NIL			

ANNEXURE 32 - RESTATED STATEMENT OF ACCOUNTING RATIOS **(in ₹ Lakhs)**

	Particulars	As at			
		31-Dec-15	31-Mar-15	31-Mar-14	31-Mar-13
A	Net Worth, As restated	204.22	150.19	107.37	43.50
B	Net profit after tax, as restated	56.47	46.06	63.87	36.74
	Less : Preference dividend	2.44	3.24	-	-
	Profit available to equity shareholders	**54.03**	**42.82**	**63.87**	**36.74**
	Weighted average number of equity shares outstanding during the year				
C	For basic earnings per share	0.68	0.68	0.68	0.68
D	For diluted earnings per share	0.68	0.68	0.68	0.68
	Earnings per share ₹ 10 each				
E	Restated basic earnings per share (B/C)	79.93	63.35	94.49	54.34
F	Restated diluted earnings per share (B/D)	79.93	63.35	94.49	54.34
G	Return on net worth (%) (B/A)	27.65	30.67	59.49	84.46
H	Net assets value per share of ₹10 each (A/C)	302.10	222.17	158.83	64.35
I	Face value (₹)	10	10	10	10

Notes:

1. The above ratios are calculated as under:

a) Basic earnings per share = Net profit/(loss) after tax, as Restated attributable to shareholders / Weighted average number of shares outstanding for the year / period.

b) Diluted earnings per share = Net profit/(loss) after tax, as Restated / Weighted average number of diluted equity shares outstanding during the year / period.

c) Return of net worth (%) = Net profit/(loss) after tax, as Restated / Net worth as restated as at year or period end

d) Net asset value per share (`) = Net worth as Restated / Number of equity shares as at year or period end

2. Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. The timeweighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.

3. Net worth for ratios mentioned in note 1(c) and 1(d) is = Equity share capital + Reserves and surplus (including Securities Premium, (Deficit)/Surplus in Statement of Profit and Loss).

4. Earnings per share calculations are in accordance with Accounting Standard 20 - Earnings per share.

5. The figures disclosed above are based on the Restated Balance Sheet and Restated Statement of Profit and Loss of the Company.

6.The above statement should necessarily be read with the basis of preparation and significant accounting policies appearing in Annexure 4 to the Restated Financial Information, Statement of adjustments to audited financial statements appearing in Annexure 5 and other notes to Restated Financial Information apprearing in Annexure 6 to 33H.

ANNEXURE 33 – OTHER NOTES TO RESTATED FINANCIAL STATEMENTS

A. RESTATED SUMMARY STATEMENT OF EMPLOYEE BENEFITS

Disclosure under Accounting standard 15 (to the extent) applicable :

Description of the Company's defined benefit plan:

The company operates a defined benefit plan for payment of post-employment benefits in the form of gratuity. Benefits under the plan are based on pay and years of service and vested on completion of five years of service, as provided in the Payment of Gratuity Act, 1972. The terms of benefits are common for all the employees of the company.

Principal actuarial assumptions used as at the balance sheet date:

Particulars	Nine Months ended 31-12-2015	31-03-2015	31-03-2014	From June 5, 2012 to March 31,2013
Discount rate	7.87% p.a.	7.72% p.a.	9.15% p.a.	8.00% p.a.
Salary Escalation rate	6.00 % p.a.	6.00 % p.a.	6.00 % p.a.	6.00 % p.a.
Attrition rate	5.00 % p.a.	5.00 % p.a.	5.00 % p.a.	5.00 % p.a.
Expected return on plan assets	0.00 % p.a.	0.00 % p.a.	0.00 % p.a.	0.00 % p.a.

Reconciliation in respect of the changes in the present value of obligation: **(In ₹ Lakhs)**

Particulars	Nine Months ended 31-12-2015	31-03-2015	31-03-2014	From June 5, 2012 to March 31,2013
Present value of obligation (Opening)	0.41	0.26	0.08	-
Add:				
Current service cost	0.49	0.41	0.26	0.08
Interest Cost	0.02	0.02	0.01	-
Actuarial (Gains) / losses on obligation	(0.27)	(0.28)	(0.09)	-
Benefits paid	-	-	-	-
Present value of obligations (Closing)	**0.65**	**0.41**	**0.26**	**0.08**

Reconciliation in respect of the changes in the fair value of plan assets: **(In ₹ Lakhs)**

Particulars	Nine Months ended 31-12-2015	31-03-2015	31-03-2014	From June 5, 2012 to March 31,2013
Fair value of plan assets (Opening)	-	-	-	-
Add:	-	-	-	-
Expected rate of return	-	-	-	-
Actuarial Gains/(losses)	-	-	-	-
Contributions by employer	-	-	-	-
Benefits paid	-	-	-	-
Fair value of plan assets (Closing)	-	-	-	-

(In ₹ Lakhs)

Amounts recognised in the Balance sheet	Nine Months ended 31-12-2015	31-03-2015	31-03-2014	From June 5, 2012 to March 31,2013
Present value of the obligation	0.65	0.41	0.26	-
Fair value of plan assets	-	-	-	-
Liability/(Asset)	0.65	0.41	0.26	0.08
Unrecognised past service cost	-	-	-	-
Liability/(Asset) in the Balance sheet	0.65	0.41	0.26	0.08

The total expenditure recognized in the statement of profit and loss is as follows: **(In ₹ Lakhs)**

Particulars	Nine Months ended 31-12-2015	31-03-2015	31-03-2014	From June 5, 2012 to March 31,2013
Current Service Cost	0.49	0.41	0.26	0.08
Interest Cost	0.02	0.02	0.01	-
Expected Return on Plan Assets	-	-	-	-
Past Service Cost	-	-	-	-
Net Actuarial (Gains)/losses	(0.27)	(0.28)	(0.09)	-
Amount to be recognised in the statement of profit and loss	0.24	0.15	0.17	0.08

Disclosure requirement pursuant to para 120(n) of AS-15 (to the extent available): **(In ₹ Lakhs)**

Particulars	Nine Months ended 31-12-2015	31-03-2015	31-03-2014	From June 5, 2012 to March 31,2013
Present value of the defined benefit obligation	0.65	0.41	0.26	0.08
Fair value of plan assets	-	-	-	-
Deficit/(Surplus) in plan assets	-	-	-	-
The experience adjustments on plan liabilities	(0.27)	-	-	-
The experience adjustments on plan assets	-	-	-	-

B. RESTATED SUMMARY STATEMENT OF SEGMENT REPORTING

(i) Business Segment

The Company has considered business segment as the primary segment for disclosure. The Company is primarily engaged in Generating and Supply of Electricity for Captive Consumption, which in the context of Accounting Standard 17 "Segment Reporting" is considered the only business segment.

(ii) Geographical Segment

The Company generates and supplies electricity only within India where the conditions prevailing are uniform. No separate geographical segment disclosure is considered necessary.

C. RESTATED SUMMARY STATEMENT OF EARNINGS PER SHARE **(In ₹ Lakhs)**

Particulars	Nine Months ended 31-12-2015	2014-15	2013-14	From June 5, 2012 to March 31,2013
Earnings available for Equity Shares	56.47	46.06	63.87	36.74
Equity Shares of ₹ 10 each (Nos)	1	1	1	1
Weighted Average No. of Shares	1	1	1	1
Earnings Per Share (in ₹)	79.93	63.34	94.49	54.34

D. NOTE ON MATERIAL REGROUPING

W.e.f., April 1 2014, Schedule III notified under the Companies Act, 2013 has become applicable to the Company for preparation and presentation of its financial statements. Revised Schedule VI notified under the Companies Act, 1956 became applicable with effect from April 1, 2011, for preparation and presentation of its financial statements. The adoption of Schedule III / Revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. There is no significant impact on the presentation and disclosures made in the financial statements on adoption of Schedule III as compared to Revised Schedule VI. The Company has reclassified the figures for the previous financial year ended March 31, 2013 and March 31, 2014 in accordance with the requirements of Schedule III.

Appropriate adjustments have been made in the Restated Summary Statements, 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 year ended March 31, 2015, prepared in accordance with Schedule III and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 (as amended).

E. Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the rates prescribed under the Schedule XIV to the Companies Act 1956, up to March 31, 2014. During the year ended March 31, 2015, pursuant to Companies Act, 2013 applicable from April 1,2014, management evaluated the estimates of useful lives of its fixed assets as per the requirements of Schedule II of the Companies Act, 2013 and depreciation has been provided in accordance with the useful life as specified in Schedule II of the Companies Act, 2013.

F. The Financials drawn for the period of 9 months commencing from 1st April to 31th December 2015 are not strictly comparable with the figures of the previous years.

G. Previous year's figures are reclassified wherever necessary to conform to the current year's classification.

H. Figures have been rounded off to the lakhs.

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

You should read the following discussion of our financial condition and results of operations together with our restated financial statements for the Nine months ended December 31, 2015 and Financial Year 2015, 2014 and 2013, including the notes thereto and the report thereon, in the chapter titled "Financial Statements" beginning on page151 of this Prospectus. You should also read the chapter titled "Risk Factors" on page 14 of this 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, is based on restated financial statements. These financial statements have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI ICDR Regulations and restated as described in the report of our Auditors dated 5nd April, 2016, which is included in this Prospectus under "Financial Statements" beginning on page 151 of this Prospectus. Our Financial Year ends on March 31 of each year; therefore, all references to a particular Financial Year are to the twelve-month period ended March 31 of that year unless stated otherwise. See also the section titled "**Presentation of Financial, Industry and Market Data**" on page 12 of this 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 sections titled "**Risk Factors", "Forward-Looking Statements**" and "**Our Business**" on pages 14, 13 and 100, respectively of this Prospectus. In this section "our Company", "we", "us", "our" "it" refers to KKV Agro Powers Limited.*

BUSINESS OVERVIEW

Our Company, promoted by Mr.T.K.Chandiran and Mrs.C.Selvi, is engaged in the business of power generation from renewable energy sources, wind and solar. Our Company was incorporated as "Nachas Wind Energy Private Limited" on June 05, 2012 as a private limited company under the Companies Act, 1956, with the Registrar of Companies, Tamil Nadu, Coimbatore. The name of our company was changed to "KKV Agro Powers Private Limited" vide a fresh certificate of incorporation pursuant to change of name dated May 12, 2015 issued by Registrar of Companies, Tamil Nadu, Coimbatore. Subsequently our Company was converted into public limited Company and the name of our company was changed to "KKV Agro Powers Limited", pursuant to fresh certificate of incorporation consequent upon change of name on conversion to public limited company dated May 18, 2015, issued by Registrar of Companies, Tamil Nadu, Coimbatore.

Our Company has started its operations by acquiring the windmills of 1.5MW located at Pollachi from M/s The KTM Jewellery Limited on June 7, 2012 and 1.25MW located at Tirunelvelli from Mr T.K.Chandiran, one of the promoters of the company, on June 7, 2012. Later, on December 15, 2014, our Company has acquired the wind mills of 1.5MW located at Palladam,Tirupur from M/s The KTM Jewellery Limited. Further the Company on 1st April 2015, has acquired the windmills of 1.25MW located at Tirunelvelli and 0.5MW located at Palladam,Tirupur from M/s The KTM Jewellery Limited totaling to 6MW of windmill operations. Also the Company has developed a solar project of 1 MW at Tirupur. All our projects are located in the state of Tamil Nadu.

As on December 31, 2015, our total portfolio of operating projects included 7 MW of aggregate installed capacity, which comprised of 6.0 MW of wind energy projects and 1.0 MW of solar project. The Company is currently in the process of acquiring additional capacity of 0.8 MW of wind energy generators in Tamil Nadu as mentioned in the section 'Objects of the issue'.

Our Company operates under "Group Captive Power Scheme" notified under the Electricity Act, 2003 by Ministry of Power, Government of India. As per the scheme, 51% of the power produced by a power generating company is consumed by its captive users while holding at least 26% of the paid up capital of the producer. Also, such users shall consume the electricity in proportion to their shareholding.

The current scope of operations of our Company include:

A) Renewable Energy Power Generation
B) Renewable Energy Certificates Trading

We offer power generated from the renewable energy sources to our customers, The KTM Jewellery Limited, SKM Animal feeds and Foods(India) Pvt Ltd and Space Textiles Private Limited for Group Captive Consumption. As per the Electricity Rules, 2005, the captive consumers need to maintain at least 26% of ownership in the power plants for the purpose of captive consumption.

Also our Company trades in Renewable Energy Certificates earned by it, pursuant to the scheme framed by the Central Electricity Regulatory Commission. The Company has sold Renewable Energy Certificates worth ₹3.60 Lakhs for FY15 and ₹24.61 Lakhs/- for the Nine Months Ended December 30, 2015.

We generated revenues of ₹190.03 Lakhs, ₹261.93 Lakhs and ₹357.75 Lakhs in FY2013, FY2014 and FY2015 respectively with respective profits before tax of ₹53.35 Lakhs, ₹94.46 Lakhs and ₹67.21 Lakhs. The Company has sold 5.4 MU, 4.8 MU and 6.2 MU in FY13, FY14 and FY15 respectively.

Significant factors affecting results of our operations

Our business, results of operations and financial condition are affected by a number of factors, including:

- General economic and demographic conditions
- Regulations affecting the electricity
- Geographical changes in wind directions and densities.
- The availability of finance on favourable terms for our business and for our customers and Competition

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 nine months ended December 31, 2015 and Financial Year 2015, 2014 and 2013, as derived from our restated financial statements:

(In ₹ Lakhs)

Particulars	Nine Months ended December 31, 2015		For the year ended March 31, 2015		For the year ended March 31, 2014		For the year ended March 31, 2013	
	Amount	% of Total Revenue	Amount	% of Total Revenue	Amount	% of Total Revenue	Amount	% of Total Revenue
Revenue from Operations	415.64	99.99%	357.57	99.95%	261.93	100.00%	190.03	100.00%
Other Income	0.03	0.01%	0.18	0.05%	-	0.00%	-	0.00%
Total Revenue	415.67	100.00%	357.75	100.00%	261.93	100.00%	190.03	100.00%
EXPENSES								
Power generation expenses	71.47	17.19%	57.79	16.15%	33.19	12.67%	30.60	16.10%
Employee Benefits Expense	22.63	5.44%	20.37	5.69%	17.28	6.60%	3.26	1.72%
Finance Costs	41.93	10.09%	71.43	19.97%	8.41	3.21%	-	0.00%
Depreciation & Amortisation	55.98	13.47%	52.89	14.78%	2.10	0.80%	1.37	0.72%

Expense								
Other Expenses	133.03	32.00%	88.06	24.61%	106.49	40.66%	101.45	53.39%
Total Expenses	**325.04**	**78.20%**	**290.54**	**81.29%**	**167.48**	**63.86%**	**136.67**	**71.92%**
Profit Before Tax	90.63	21.80%	67.21	18.78%	94.46	36.14%	53.35	28.07%
Less : Tax expense								
Current Tax	19.00	4.57%	13.43	3.75%	18.44	7.04%	10.04	5.28%
Deferred Tax	34.66	8.34%	21.15	5.91%	30.58	11.68%	6.57	3.46%
MAT Credit	(19.00)	(4.57%)	(13.43)	-3.75%	(18.44)	-7.04%	-	0.00%
For earlier years	(0.51)	(0.12%)	-	0.00%	-	0.00%	-	0.00%
Profit for the year	56.47	13.59%	46.06	12.87%	63.87	24.39%	36.74	19.33%

Principal components of statements of profit and loss

Revenue

Revenue – Total revenue consists of revenue from operations (Gross) and other income.

Revenue from Operations – Revenue from operations comprises revenues from the Sale of Electricity and from Sale of Renewable Energy Certificates.

Sale of electricity primarily includes revenue from sale of electricity generated from wind power and solar power. Other Income primarily includes revenue from sale of renewable energy certificates.

Our revenues from the sales of electricity and sale of renewable energy certificates were as follows:

Particulars	For the Period / Year ended			(In ₹ Lakhs)
	December 31, 2015	March 31, 2015	March 31, 2014	March 31, 2013
Revenue from Sale of Electricity	391.03	353.97	261.93	190.03
Revenue from Sale of Renewable Energy Certificates	24.61	3.60	-	-

Other revenues consist of interest on fixed deposits with Banks

Expenses

Our total expense consists of cost of power generation expenses, employee benefit expenses, finance costs, depreciation and amortization expenses and other expenses.

Power generation expense – Power generation expenses comprises cost incurred towards the generation and transmission of electricity. The primarily cost incurred towards the power generation expenses is for transmission and wheeling charges, banking charges amongst others.

Employee benefit expense – Employee benefit expense primarily includes expenses towards salaries and wages, bonus, contributions to provident and other funds, gratuity and staff welfare expenses.

Finance Cost – Finance cost primarily consist of interest expenses and other borrowing costs.

Depreciation and amortization expenses – Depreciation and amortization expenses primarily consist of depreciation of tangible fixed assets.

Other expenses – Other expenses primarily include costs incurred towards repairs and maintenance of machinery, vehicles and others, rates and taxes, professional charges, commission and directors' remunerations amongst others.

Tax Expenses

Current tax expense – Our current income tax expenses are calculated in accordance with tax regulations relevant to our business.

MAT credit entitlement – Minimum Alternative 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 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.

Our Results of Operations

Nine Months ended December 31, 2015

Total Revenue

Our total revenue for the Nine-Month period ended December 31, 2015 was ₹415.67 Lakhs of which revenue from operations (Gross) was ₹415.64 Lakhs and other income was ₹0.03 Lakhs.

Revenue from Operations (Gross)

Our revenue from operations (Gross), primarily comprises of sale of electricity of ₹391.03 Lakhs and revenue from sale of renewable energy certificates of ₹24.61 Lakhs. Revenue from operation (Gross) represents 99.99% of our total revenue.

Other Income

We had other income of ₹0.03 Lakhs which comprised of interest income on fixed deposits.

Expenses

Power Generation Expenses

Our power generation expenses were ₹71.47 Lakhs for the Nine Months ended December 31, 2015, majorly comprising of expenditure towards transmission and wheeling charges, banking charges and other operation power generating expenses. Power generation expense represents 17.19% of our total revenues.

Employee benefits expenses

Our employee benefit expenses amounted to ₹22.63 Lakhs for the Nine Months ended December 31, 2015 which primarily includes salary and wages of ₹18.78 Lakhs, Bonus expense of ₹1.13 Lakhs, contribution to provident and other funds of ₹2.04 Lakhs. The employee benefit expenses represent 5.44% of total revenue.

Finance costs

Our finance costs were ₹41.93 Lakhs for the Nine Months ended December 31, 2015 primarily includes interest expenses on term loans. Finance cost represents 10.09% of total revenues.

Depreciation and Amortisation

The depreciation and amortisation expenses were ₹55.98 Lakhs for the Nine Months ended December 31, 2015. The depreciation and amortisation expense represents 13.47% of our total revenues.

Other expenses

Our other expenses were ₹133.03 Lakhs for the Nine Months ended December 31, 2015 which mainly comprises of repairs and maintenance expenses for machinery, vehicles and others, rates and taxes, insurance, directors and remuneration amongst others. Our other expense was 32.00% of our total revenues.

Profit before tax, as restated

Our profit before tax was ₹90.63 Lakhs which was 21.80% of our total revenues.

Tax expense

Our tax expense was ₹34.15 Lakhs for Nine Months ended December 31, 2015 which represents 8.22% of our total revenues.

Profit for the period, as restated

Our profits after tax as restated for the Nine Months ended December 31, 2015 was ₹56.47 Lakhs which was 13.59% of our total revenues.

Financial Year 2015 compared to Financial Year 2014

Total Revenues

Our total revenue has increased by 36.58% from ₹261.93 Lakhs for the Financial Year 2014 to ₹357.75 Lakhs for the Financial Year 2015. This was primarily on account of increase in our revenue from operations.

Revenue from Operations (Gross)

Our revenue from operations (Gross) have increased by 36.51% from ₹261.93 Lakhs for the Financial Year 2014 to ₹357.57 Lakhs for the Financial Year 2015. This was primarily on account of revenue generated from acquisition of new windmill of 1.5MW and increase in capacity utilization of solar plant. Further during the Financial Year 2015 there were a revenue from sale of Renewable Energy Certificates of amount ₹3.60 Lakhs.

Other Income

Our other income has increased by 100.00% from Nil for the Financial Year 2014 to ₹0.18 Lakhs for the Financial Year 2015, primarily on account of interest income received from fixed deposits held with banks

Total Expenditure

Our total expenses have increased by 73.48% from ₹167.48 Lakhs for the Financial Year 2014 to ₹290.54 Lakhs for the Financial Year 2015. This was mainly due to increase in finance costs, depreciation and amortisation expenses and power generation expenses.

Power generation expenses

Our power generation has increased by 74.12% from ₹33.19 Lakhs for the Financial Year 2014 to ₹57.79 Lakhs for the Financial Year 2015, primarily on account of growth in operations. Further, the power generation expenses as percentage of total revenue has increased from 12.67% in Financial Year 2014 to 16.15% in Financial Year 2015.

Employee benefits expenses

Our employee benefit expenses has increased by 17.88 % from ₹17.28 Lakhs for the Financial Year 2014 to ₹20.37 Lakhs for the Financial Year 2015, primarily due to annual increments and due to commencement of provisioning for Employee Provident fund, ESI and Gratuity. The employee benefit expenses as a percentage of total revenue has decreased marginally from 6.60% in Financial Year 2014 to 5.69% in Financial Year 2015.

Finance cost

Our finance cost has increased substantially by 749.35% from ₹8.41 Lakhs for the Financial Year 2014 to ₹71.43 Lakhs for the Financial Year 2015, mainly due to increase in interest expenses on account of additional borrowing of ₹600 Lakhs from Indian Bank towards purchase of plant and machinery. Further, the finance cost as a percentage of total revenue has increased substantially from 3.21% in Financial Year 2014 to 19.97% in Financial Year 2015.

Depreciation and Amortisation Expenses

The depreciation and amortisation expenses have increased substantially by 2,418.57% from ₹2.10 Lakhs for the Financial Year 2014 to ₹52.89 Lakhs for the Financial Year 2015, mainly due to increase in fixed assets by ₹205.56 Lakhs.

Other expenses

Our other expenses have decreased by 17.31% from ₹ 106.49 Lakhs in Financial Year 2014 to ₹ 88.06 Lakhs in Financial Year 2015, primarily due to (i) an decrease in professional charges from ₹ 31.87 Lakhs in Financial Year 2014 to ₹ 5.42 Lakhs in Financial Year 2015, (ii) decrease in rent expenses from ₹ 10.50 Lakhs in Financial Year 2014 to ₹ 2.76 Lakhs in Financial Year 2015, Further, our other expenses as a percentage of total revenues have decreased from 40.66% in Financial Year 2014 to 24.61% in Financial Year 2015.

Profit before tax, as restated

Our profit before tax, as restated decreased by 28.85% from ₹94.46 Lakhs in Financial Year 2014 to ₹67.21 Lakhs in Financial Year 2015 for the reasons described above. As a percentage of total revenue, our profit before tax, as restated has decreased from 36.14% in Financial Year 2014 to 18.78% in Financial Year 2015.

Tax expense

Our tax expense has decreased by 44.59% from ₹30.58 Lakhs in Financial Year 2014 to ₹21.15 Lakhs in Financial Year 2015 primarily on account of decrease in profitability.

Profit for the period, as restated

Our profits, as restated has decreased by 27.89% from ₹63.87 Lakhs in Financial Year 2014 to ₹46.06 Lakhs in Financial Year 2015 on account of reasons mentioned above. Further, profit for the period as a percentage of total revenue has decreased from 24.39% in Financial Year 2014 to 12.87% in Financial Year 2015.

Financial Year 2014 compared to Financial Year 2013

Total Revenues

Our total revenue has increased by 37.84% from ₹190.02 Lakhs for the Financial Year 2013 to ₹261.93 Lakhs for the Financial Year 2014. This was primarily on account of increase in our revenue from operations.

Revenue from Operations

Our revenue from operations have increased by 37.84% from ₹190.03 Lakhs for the Financial Year 2013 to ₹261.93 Lakhs for the Financial Year 2014. This was primarily due to the fact that FY 2014 was a full year while FY 2013 was a partial year as the company was incorporated on 5th June, 2012

Total Expenditure

Our total expenses have increased by 22.54% from ₹136.67 Lakhs for the Financial Year 2013 to ₹167.48 Lakhs for the Financial Year 2014. This was mainly due to increase in depreciation and amortisation expenses and employee benefit expenses.

Power generation expenses

Our power generation has increased by 8.46% from ₹30.60 Lakhs for the Financial Year 2013 to ₹33.19 Lakhs for the Financial Year 2014, primarily on account of growth in operations in sale of electricity. However, the power generation expenses as percentage of total revenue has decreased from 16.10% in Financial Year 2013 to 12.67% in Financial Year 2014.

Employee benefits expenses

Our employee benefit expenses has increased by 430.0637 % from ₹3.26 Lakhs for the Financial Year 2013 to ₹17.28 Lakhs for the Financial Year 2014, primarily due to increase in number of employees and yearly increments. Our number of employees increased to 11 employees as of March 31, 2014 from 4 employees as of March 31, 2013. The employee benefit expenses as a percentage of total revenue has increased substantially from 1.72% in Financial Year 2013 to 6.60% in Financial Year 2014.

Finance cost

Our finance cost has increased substantially by 100.00% from ₹0 for the Financial Year 2013 to ₹8.41 Lakhs for the Financial Year 2014, mainly due to interest expenses on account of additional borrowing of ₹600 Lakhs from Indian Bank towards purchase of plant and machinery.

Depreciation and Amortisation Expenses

The depreciation and amortisation expenses have increased by 53.28% from ₹1.37 Lakhs for the Financial Year 2013 to ₹2.10 Lakhs for the Financial Year 2014, mainly due to increase in fixed assets by ₹727.49 Lakhs.

Other expenses

Our other expenses has increased by 4.97% from ₹101.45 Lakhs in Financial Year 2013 to ₹106.49 Lakhs in Financial Year 2014, primarily due to (i) an increase in directors remuneration expenses from ₹4 Lakhs in Financial Year 2013 to ₹14.25 Lakhs in Financial Year 2014, (ii) increase in rent expenses from ₹0.28 Lakhs in Financial Year 2013 to ₹10.50 Lakhs in Financial Year

2014, (iii) increase in professional charges from ₹10.39 Lakhs in Financial Year 2013 to ₹31.87 Lakhs in Financial Year 2014 However, our other expenses as a percentage of total revenues have decreased from 53.39% in Financial Year 2013 to 40.66% in Financial Year 2014.

Profit before tax, as restated

Our profit before tax, as restated increased by 77.08% from ₹53.35 Lakhs in Financial Year 2013 to ₹94.46 Lakhs in Financial Year 2014 for the reasons described above. As a percentage of total revenue, our profit before tax, as restated has increased from 28.07% in Financial Year 2013 to 36.14% in Financial Year 2014.

Tax expense

Our tax expense has increased by 84.11% from ₹16.61 Lakhs in Financial Year 2013 to ₹30.58 Lakhs in Financial Year 2014 primarily on account of increase profitability.

Profit for the period, as restated

Our profits, as restated has increased by 73.94% from ₹36.74 Lakhs in Financial Year 2013 to ₹63.87 Lakhs in Financial Year 2014 on account of reasons mentioned above. Further, profit for the period as a percentage of total revenue has increased from 19.33% in Financial Year 2013 to 24.39% in Financial Year 2014.

Liquidity and Capital Resources

As of December 31, 2015, we had cash and bank balances of ₹29.76 Lakhs. Our primary liquidity needs have been to finance our operations, working capital needs, debt service and capital expenditures. We have historically met our liquidity needs through cash flows generate from our operations as well as external borrowings.

Our long-term liquidity requirements include partial funding of our investments in new projects. Sources of funding our long-term liquidity requirements include new loans, equity issues.

Cash flows

Set forth below is a table of selected information from our Company's restated cash flow statements for the periods indicated.

Particulars(in ₹ Lakhs)	**Financial Year 2015**	**Financial Year 2014**	**Financial Year 2013**
Net cash from/ (used in) operating activities	(15.38)	320.87	40.42
Net cash from/ (used in) investing activities	(205.38)	(727.49)	(28.98)
Net cash from/ (used in) financing activities	327.99	551.38	6.76
Net increase/ (decrease) in cash and cash equivalents	107.22	144.76	18.21
Opening cash and cash equivalents	162.96	18.20	0.00
Closing cash and cash equivalents	270.18	162.96	18.20

Net cash from/ (used in) operating activities

Net cash used in operating activities in Financial Year 2015 was ₹15.38 Lakhs and our operating profit before working capital adjustments for that period was ₹166.96 Lakhs. The difference was primarily attributable to net decrease in other current liabilities by ₹140.40 Lakhs.

Net cash from operating activities in Financial Year 2014 was ₹320.87 Lakhs and our operating profit before working capital changes for that period was ₹74.38 Lakhs. The difference was primarily attributable to decrease in trade receivables by ₹22.5 Lakhs, increase in other current liabilities by ₹244.16 Lakhs and increase in current liabilities by ₹30.59 Lakhs.

Net cash from operating activities in Financial Year 2013 was ₹40.42 Lakhs and our operating profit before working capital changes for that period was ₹38.10 Lakhs. The difference was primarily attributable to increase in noncurrent liabilities by ₹6.57 Lakhs and increase in short term provisions by ₹6.54 Lakhs.

Net cash from / (used in) investing activities

In Financial Year 2015, our net cash used in investing activities was ₹205.38 Lakhs. This primarily consists of payments towards purchase of fixed assets amounting to ₹205.56 Lakhs.

In Financial Year 2014, our net cash used in investing activities was ₹727.49 Lakhs due to payments towards purchase of fixed assets amounting to was ₹727.49 Lakhs.

In Financial Year 2013, our net cash used in investing activities was ₹28.98 Lakhs due to payments towards purchase of fixed assets amounting to ₹28.98 Lakhs.

Net cash from/ (used in) financing activities

In Financial Year 2015, our net cash generated from financing activities was ₹327.99 Lakhs. This primarily reflected the proceeds from short term borrowings of ₹480.32 Lakhs.

In Financial Year 2014, our net cash generated from financing activities was ₹551.38 Lakhs. This primarily reflected the proceeds from loans and from issue of preference shares.

In Financial Year 2013, our net cash generated from financing activities was ₹6.76 Lakhs. This primarily reflected the proceeds from our first issue of equity shares.

Financial indebtedness

The following table sets forth our Company's secured and unsecured debt position as at 31st December 2015.

Particulars	(In ₹ Lakhs)
Unsecured loans from promoters	480.22
Sub-Total (A)	480.22
Fund based	
Term loans from bank (including current maturities)	378.05
Cash credit; Overdraft from bank	Nil
Sub-Total (B)	378.05
Non – Fund Based	
Bank Guarantee	Nil
Foreign letter of credit and inland letter of credit	Nil
Sub-Total (C)	Nil
Vehicle loans	Nil
Sub-Total (D)	Nil
Total (A+B+C+D)	858.27

For details of our financial indebtedness, please refer to the chapter titled "***Financial Indebtedness***" on page 195 of this Prospectus.

Contingent Liabilities not provided for and commitments as on December 31, 2015

There are no contingent liabilities as on December 31, 2015.

OTHER MATTERS

Off Balance Sheet Arrangements

We do not have any off-balance sheet arrangements or derivative instruments, which are reasonably likely to have a current or future material effect on our results of operations or financials condition.

Summary of reservations, qualifications, adverse remarks and matter of emphasis by the Auditor

There are no Auditor's Qualifications on the Financial Statements of our Company.

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, 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.

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.

Significant Developments after December 31, 2015

To our knowledge, there is no subsequent development after the date of our financial statements contained in this 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 except as stated below.

- Allotment of 1,83,200 Equity shares on preferential basis vide a special resolution passed at the EGM of shareholders held on 9th May 2016.

Unusual or infrequent events or transactions

To our knowledge, except as disclosed in this 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 "***Risk Factors***" and "***Key Regulations and Policies***" on pages 14 and 117, respectively of this Prospectus, respectively, 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 sections "***Risk Factors***" and this "***Management Discussion and Analysis of Financial Condition and Results of Operations***" on pages 14 and 184, respectively of this 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 "***Management Discussion and Analysis of Financial Condition and Results of Operations***" on pages 14 and 184, respectively of this Prospectus, there are no known factors that might affect the future relationship between cost and revenue.

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

The changes in income from operations in the last three Financial Year years have been as explained in this section.

New Product or Business Segment

Other than as described in the section titled "***Our Business***" beginning on page 100 of this Prospectus, to our knowledge, there are no new products or business segments.

Seasonality

Our business is not seasonal in nature.

Dependence on a few Customers and Suppliers

We operate under the Group captive power consumption scheme as defined under the National Electricity Policy, 2005, notified under Electricity Act 2003. 100% of our revenue is generated from only three companies two of which are from own group viz., Space textiles Pvt Ltd and The KTM Jewellery Ltd. In addition, we also sell to SKM Animal Feed and Foods (India) Ltd. As such we are heavily dependent on these three customers for revenue generation and profitability. The Power purchase agreements are based on a fixed term and need to be renewed periodically.

Competitive Conditions

For further details, please refer to the discussions of our competition in the sections titled "***Risk Factors***" and "***Our Business***" on pages 14 and 100, respectively of this Prospectus.

FINANCIAL INDEBTNESS

Set forth below, is a brief summary of our Company's borrowings as on March 31st, 2016 together with a brief description of certain significant terms of such financing arrangements.

Nature of Liability	Amount (₹ in Lakhs)
Secured Borrowings	343.43
Unsecured Borrowings	477.26
Total	820.69

a. Secured Loan

Term Loan

Name of the Lender	Facility Details	Amount Sanctioned (₹ in Lakhs)	Amount Outstanding as on March 31, 2016 (₹ in Lakhs)	Rate of Interest	Repayment Schedule	Security
Indian Bank	Medium Term Loan	600.00	343.43	BLR+2.65%	60 monthly instalments of ₹10 lakhs each with a holiday period of 6 months from the date of first disbursement. There is a prepayment penalty of 2% on the prepayment.	Primary Security 1. Equitable Mortgage of land measuring 6.70 acres at Uthamapalayam Village, Vellakoil sub registrar, Kangeyam taluk, Tirupur District, Tamil Nadu purchased vide document number 2878/2013 2. Hypothecation of Equipment to be purchased under the Term loan at a cost of ₹763.80 lakhs Personal Guarantee: i. Mr.T.K.Chandiran ii. Mrs.C.Selvi

Restrictive Covenants

Our financing agreement include various restrictive conditions and covenants restricting certain corporate actions, and our Company is required to take the prior approval of the lender before carrying out such activities. For instance, our Company is required to obtain the prior written consent of the lenders in the following instances:

- ✓ Change or in any way alter the capital structure of our Company;
- ✓ Effect any scheme of amalgamation or reconstitution;
- ✓ Implement a new scheme of expansion/modernization or take up an allied line of business or manufacture;
- ✓ Revaluing the assets of the Company;
- ✓ Change the accounting system of the company radically.
- ✓ Declare a dividend or distribute profits after deduction of taxes, except where the instalments of principal and interest payable to the Bank are being paid regularly;
- ✓ Enlarge the scope of other manufacturing/trading activities, if any undertaken at the time of the application and notified to the Bank as such;
- ✓ Withdraw or allow to be withdrawn any monies brought in by its proprietors, partners, relatives and friends or proprietors/partners/promoters or directors;
- ✓ Invest any funds by way of deposits, or loans or in share capital of any other concern (including subsidiaries) so long as any money is due to the Bank; our Company will however be free to deposit funds by way of security, with third parties in the normal course of business or if required for the business;
- ✓ Borrow or obtain credit facilities of any description from any other bank or credit agency or money lenders or enter into any hire purchase arrangement during the currency of the loan;
- ✓ Any material changes in the project.

Our Company has obtained the requisite consent from its lender in order to undertake the present public issue

b. Unsecured Borrowings as on March 31, 2016

S.No	Name of the Lender	Loan Outstanding Amount (₹ In lakhs)
1	T.K.Chandiran	477.26

The Loan is interest free and is repayable on demand

c. Cumulative Preference Dividend

The company has issued 90,000 preference shares of ₹100 on 31st March 2014 to Mr.T.K.Chandiran carrying a cumulative preference dividend of 3% p.a payable on redemption which are redeemable at par at any time after the expiry of 3 years from the date of issue.

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENT

Except as stated in this Prospectus, there are no outstanding or pending litigation, suit, criminal or civil prosecution, proceeding initiated for economic offences or civil offences or litigation for tax liabilities against our Company, our Directors or our Promoters or companies promoted by our Promoters and there are no defaults to banks/financial institutions, non-payment of or overdue statutory dues, or dues towards holders of any debentures, bonds and fixed deposits and arrears of preference shares, other unclaimed liabilities of our Company and no disciplinary action has been taken by SEBI or any stock exchanges against our Company, our Promoters or Directors, no legal action has been pending or taken by Ministry or Department of the Government or a statutory authority against our Promoters during the last five years immediately preceding the year of the issue of this Prospectus. Further, except as stated in this Prospectus, there are no past cases in which penalties have been imposed on our Company or our Promoters, Directors or companies promoted by our Promoters or our Subsidiary by concerned authorities, and there is no outstanding litigation against any other company whose outcome could have a material adverse effect on the position of our Company.

The Listing of any securities of our Company has never been refused at any time by any of the stock exchanges in India. Neither our Company nor its Promoters, members of the Promoter Group, associates and Directors have been declared as willful defaulters by the RBI or any other Governmental authority and, except as disclosed in this Section in relation to litigation, there are no violations of securities laws committed by them in the past or pending against them.

The details of the relevant proceedings have been classified as follows:

A. Proceedings Initiated Against our Company (Criminal, Civil and Tax);

B. Proceedings Initiated by our Company (Criminal, Civil and Tax);

C. Proceedings Initiated Against Promoters and Directors of our Company;

D. Proceedings Initiated by Promoters and Directors of our Company;

E. Proceedings Initiated Against Our Group Companies;

F. Proceedings Initiated by Our Group Companies;

G. Details of past cases where penalties were imposed on our Company, Promoters, Directors, an Firm where any Promoter is a Partner, any HUF where any Promoter is a Karta, and any Trust where any Promoter is a Trustee, and details of Past Defaults of our Company;

H. List of creditors to whom the Company owes a sum exceeding ₹ One Lac, outstanding for more than thirty days;

I. Material Developments;

A. PROCEEDINGS INITIATED AGAINST OUR COMPANY

1. Litigation involving Civil Laws

Nil

2. Litigation involving Criminal Laws

Nil

3. Litigation involving Securities and Economic Laws
Nil

4. Litigation involving Labour Laws
Nil.

5. Litigation involving Taxation
Nil.

B. PROCEEDINGS INITIATED BY OUR COMPANY
1. Litigation involving Civil Laws
Nil

2. Litigation involving Company Laws
Nil

3. Litigation involving Criminal Laws
Nil

4. Litigation involving Securities and Economic Laws
Nil

5. Litigation involving Labour Laws
Nil

6. Litigation involving Taxation
Nil

7. Notices from Statutory Authorities
Nil

C. PROCEEDINGS INITIATED AGAINST PROMOTERS AND DIRECTORS OF OUR COMPANY
1. Litigation involving Civil/Statutory Laws
Nil

2. Litigation involving Criminal Laws
Criminal Complaint bearing No 17254/2007 was filed by Mr. V. R. A. R. Ramakrishnan ("Complainant") against the directors and shareholders of Rathna Textiles Private Limited Bangalore and Mr.T.K.Chandiran in his capacity as Managing Director of TCS Textiles Private Limited ("Accused") (since merged with Gajaananda Jewellery Maart Private Limited vide Madras High Court Order dated 27th August 2013)before palladam court regarding the selling of land measuring 9.34 acres situated in Neelambr, Coimbatore by Rathna Textile Private Limited to TCS Textiles Private Limited. The Hon'ble Court has rejected the claim vide their order dated 02nd April, 2012, directing the complainant to approach the Company Law Board. A petition was filed by complainant in the Company Law Board. The case is currently pending before the Company Law Board.

3. Litigation involving Economic Offenses
Nil

4. Litigation involving Tax Liabilities
Nil

D. PROCEEDINGS INITIATED BY PROMOTERS AND DIRECTORS OF OUR COMPANY

1. Litigation involving Civil/Statutory Laws

Nil

2. Litigation involving Criminal Laws

Criminal Complaint bearing No 17254/2007 was filed by Mr. V. R. A. R. Ramakrishnan ("Complainant") against the directors and shareholders of Rathna Textiles Private Limited Bangalore and Mr.T.K.Chandiran in his capacity as Managing Director of TCS Textiles Private Limited ("Accused") (since merged with Gajaananda Jewellery Maart Private Limited vide Madras High Court Order dated 27th August 2013) before palladam court regarding the selling of land measuring 9.34 acres situated in Neelambr, Coimbatore by Rathna Textile Private Limited to TCS Textiles Private Limited. The Hon'ble Court has rejected the claim vide their order dated 02nd April, 2012, directing the complainant to approach the Company Law Board. A petition was filed by complainant in the Company Law Board. The case is currently pending before the Company Law Board.

3. Litigation involving Economic Offenses

Nil

4. Litigation involving Tax Liabilities

Nil

E. PROCEEDINGS INITIATED AGAINST OUR GROUP COMPANIES/ENTITIES

1. Litigation involving Civil/Statutory Laws

3. A First Information Report No. 638/13 has been filed by T. Kamaraj has filed ("Complainant") against The KTM Jewellery Limited and its employees ("Respondents") with Palayamkottai Police station alleging that the respondent has provided the discount on textile goods is on enhanced retail price which is higher than the Maximum Retail Price and also for ill-treatment meted out. The compliant has been forwarded by the police authorities to the Judicial Magistrate of Tirunelveli and is pending for action.

4. Civil Suit No I.D.No.46 of 2015 was filed by Mr. V. Murugan ("Complainant") against The KTM Jewellery Limited - ("Defendants") for deputing the branch manager from one branch to other branch towards breach of conduct and has claimed an amount of ₹50,000 towards loss of salary. The case has been dismissed but we are yet to receive the order copy.

2. Litigation involving Criminal Laws

Nil

3. Litigation involving Economic Offenses

Nil

4. Litigation involving Tax Liabilities

The KTM Jewellery Ltd had received notice under section 143(2) of Income Tax Act 1961 for Asst year 2012-13 and 2013-14 for furnishing the documents to Income Tax officer Corporate Circle-2, Coimbatore. The demand amount is ₹91.27 lakhs and 74.80 lakhs for the AYs 2012-13 and 2013-14 respectively.

F. PROCEEDINGS INITIATED BY OUR GROUP COMPANIES/ENTITIES

1. Litigation involving Civil Laws

Civil Suit No 130/2014 has been filed by TCS Textiles Private Limited ("Plaintiff") (since merged with Gajaananda Jewellery Maart Private Limited vide Madras High Court Order dated 27th August 2013) against National Insurance Company Limited ("Defendants") for recovery of insurance claim of ₹93,68,822 on account of fire accident at the plaintiff's one of the unit. The Complainant has taken a special contingency policy, including the cover of standard fire and special peril policy with defendant. The defendant has admitted a partial amount of loss against the total loss as per the surveyor report. The plaintiff has filed the suit for recovery of differential amount of ₹78,50,213 (including interest of ₹15,00,000 towards deficiency of service and mental

agony) and ₹14,00,000 towards legal charges. The Case is currently pending before State Consumer Disputes Redressal Commission at Chennai with next hearing is scheduled for 1st July, 2016.

2. **Litigation involving Criminal Laws**
Nil
3. Litigation involving Securities and Economic Laws
Nil
4. **Litigation involving Labour Laws**
Nil.
5. **Litigation involving Taxation**
Nil

G. PAST CASES IN WHICH PENALTIES HAVE BEEN IMPOSED ON OUR COMPANY OR OUR PROMOTERS, DIRECTORS OR COMPANIES PROMOTED BY OUR PROMOTERS OR OUR SUBSIDIARY BY CONCERNED AUTHORITIES

There are no past cases in which penalties have been imposed on our Company or our Promoters, Directors or companies promoted by our Promoters or our Subsidiary by concerned authorities.

H. SUNDRY CREDITORS
There are no creditors to whom the Company owes a sum exceeding ₹ One Lac, outstanding for more than thirty days in terms of Regulation no. X (A) (1) (i) of the SEBI Regulations.

I. MATERIAL DEVELOPMENTS
Except as mentioned in Chapter Titled "***Management Discussion and Analysis of Financial Condition and result of operation."*** beginning at the page 184 of this Prospectus, no circumstances have arisen since the date of last financial statement until the date of filing the Prospectus, which materially and adversely affect or are likely to affect the operations or profitability of our Company, or value of its assets, or its ability to pay its liability within next twelve months. There is no subsequent development after the date of the Auditor's Report, which will have a material impact on the reserves, profits, earnings per share and book value of the Equity Shares of the Company.

WE CERTIFY THAT EXCEPT AS STATED HEREIN ABOVE:
a. There are no pending proceedings for offences for non-payment of statutory dues by the promoters of the Company.

b. There are no cases of litigation pending against the Company or against any other Company in which Directors are interested, whose outcome could have a materially adverse effect on the financial position of the Company.

c. There are no pending litigation against the promoters/ directors in their personal capacities and also involving violation of statutory regulations or criminal offences.

d. There are no pending proceedings initiated for economic offences against the Directors, Promoters, Companies and firms promoted by the promoters.

e. There are no outstanding litigation, defaults etc. pertaining to matters likely to affect the operations and finances of the Company including disputed tax liability or prosecution under any enactment.

f. There are no litigations against the promoters / Directors in their personal capacity.

g. The Company, its promoters and other Companies with which promoters are associated have neither been suspended by SEBI nor has any disciplinary action been taken by SEBI.

h. As per the audited Balance Sheet as at 31.12.2015 there are no SSI units to whom, our Company owns any sum which is outstanding for more than 30 days.

GOVERNMENT AND OTHER STATUTORY APPROVALS

We have received the necessary consents, licenses, permissions and approvals from the Government and various governmental agencies required for our present business and except as mentioned below, and no further approvals are required for carrying on our present business or to undertake the Issue. Unless otherwise stated, these approvals are all valid as on the date of this Prospectus.

I. Corporate Approvals

1. Our Board has, pursuant to a resolution passed at its meeting held on July 06, 2015 authorized the Issue.

2. Our shareholders have pursuant to a resolution passed at their meeting dated September 07, 2015 under Section 62(1) (c) of the Companies Act 2013, authorized the Issue.

3. Our Company has obtained an approval from the NSE- EMERGE Platform for listing our Equity Shares through the Letter dated June 16, 2016.

Approvals from Lenders

1. The Company has obtained no objection certificate for the IPO from Indian Bank vide their letter dated October 12, 2015.

II. INCORPORATION DETAILS

1. Certificate of incorporation dated June 5, 2012 with Corporate Identity Number: U40108TZ2012PTC018332.

2. Fresh Certificate of Incorporation dated May 12, 2015 issued by the Registrar of Companies, Tamil Nadu, Coimbatore, consequent upon change of name of our Company from Nachas Wind Energy Private Limited to KKV Agro Powers Private Limited.

3. Fresh Certificate of Incorporation dated May 18, 2015 issued by the Registrar of Companies, Tamil Nadu, Coimbatore, on conversion of company into public limited.

III. APPROVALS/ LICENSES IN RELATION TO THE BUSINESS OF OUR COMPANY

We require various approvals and/ or licenses under various rules and regulations to conduct our business. Some of the material approvals required by us to undertake our business activities are set out below:

A. Under Direct and Indirect Tax Laws

S.No	Nature of License/Approvals	Authority	Particulars of License/Approvals	Validity Period	Special conditions, if any
1	Registration in Income Tax Department	Income Tax Department, Govt. of India	PAN: AAECN0204G	Perpetual	-
2	Allotment of Tax Deduction Account Number (TAN)	Income Tax Department, Govt. of India	TAN: CMBN04539D	Perpetual	-
3	Registration under Central Sales Tax, Act, 1956	Central Sales Tax	CST :1097309	Perpetual	For re-sale of Electrical Energy.
4	Tamil Nadu Value Added Tax Act, 2006	Assistant Commissioner (CT), Peelamedu North	TIN : 33882124732	Perpetual	-

		Assessment Circle, Coimbatore			
5	Professional Tax	Tax Pass Book bearing No.07-109-PE-178 issued by Assistant Commissioner (Profession Tax and Commercial Tax) under of the Tamil Nadu Municipal Laws	Registration no.58000074	Perpetual	-
6	Certificate of Importer-Exporter Code	Government of India Ministry of Commerce And Industry, Foreign Trade Development Officer.	IEC No.: 3213020796	Perpetual	Exporter Type: Merchant/ Manufacturer

B. Under Industrial And Labour Law

Sr. No	Nature of License/Approvals	Authority	Particulars of License/Approvals	Validity Period	Special conditions, if any
1	Registration under Employees' State Insurance Corporation	Asst./ Deputy Director, ESIC, Coimbatore	ESIC Code: 56001150530000999	Perpetual	Registration under Employees' State Insurance Corporation in the state of Tamil Nadu.
2	Registration under Employees' Provident Fund and Miscellaneous Provisions Act, 1952	Regional Officer.	CBCBE1032248	Perpetual	--
3	Tamil Nadu Electricity Board	Superintending Engineer, Tirunelveli Electricity Circle	Letter bearing number SE/TIN/AEE/DVT/AE. I/F.WEG.HT.SC.No.1222/R.2154/2005 dated April 11, 2005 for commissioning the Wind Electric Generator at Survey no. 902/1A1 (part) at Udayathoor Village	--	--
4	Tamil Nadu Electricity Board	Superintending Engineer, Tirunelveli Electricity Circle	Letter bearing number SE/TIN/AEE/DVT/AE. I/F.WEG.HT.SC.No.1221/R.2149/2005 dated April 11, 2005 for commissioning the Wind Electric Generator at Survey no. 914/3A at Udayathoor Village	--	--
5	Tamil Nadu Electricity Board	Superintending Engineer, Tirunelveli	Letter bearing number SE/TIN/AEE/DVT/AE. I/F/WEG.HT.SC.No.19	--	--

		Electricity Circle	5/d/12 dated August 18, 2012 for commissioning the Wind Electric Generator at Survey no. 16/2B at Periakalandai Village		
6	Tamil Nadu Electricity Board	Executive Engineer, Palladam	Letter bearing number EE/PDM/DM/F.W.F/H TSC.No.428 dated April 02, 2005 for commissioning the Wind Electric Generator at Survey no. 491/4 at Varappatty Village.	--	--
7	Tamil Nadu Electricity Board	Executive Engineer, Palladam	Letter bearing number EE/PDM/DM/F.W.F/H TSC.No.429 dated April 02, 2005 for commissioning the Wind Electric Generator at Survey no. 433/A at Varappatty Village.	--	--
8	Tamil Nadu Electricity Board	Executive Engineer, Palladam	Letter bearing number EE/PDM/DM/F.W.F/H TSC.No.432 dated April 02, 2005 for commissioning the Wind Electric Generator at Survey no. 430 of Vadhambachery Village.	--	--
9	Tamil Nadu Electricity Board	Executive Engineer, Palladam	Letter bearing number EE/PDM/DM/FWF/HT SC.No.508 dated March 15, 2006 for commissioning the Wind Electric Generator at Survey no. 27 at Puliampatty Village.	--	--
10	Tamil Nadu Generation and Distribution Corporation Limited	Executive Engineer, WFp/Udumalpet	Letter bearing number EE/WFP/UDT/DM/F. M/s. Nachas Wind Energy (P) Ltd/D.No.406/14 dated April 03, 2014 for commissioning 1 MW Capacity solar power plant at	--	Commissioning certificate

			Uthamapalayam Village.		

INTELLECTUAL PROPERTY RIGHTS

Our logo  is not registered in our Company name. The logo is registered in the name of SCM Global Brands Private Limited ("SGBPL") which as Mr.T.K.Chandiran and Mrs.C.Selvi as promoters. For using the brand KKV along with logo, our Company has entered into Trade Mark License Agreement dated November 18, 2014 on non-exclusive license. The agreement is valid for a period of 5 years w.e.f. April 1, 2014 and shall extend on mutually agreed basis. Our company agrees to pay to SGBPL a royalty of 0.5% on the net sales of our Company calculated on a yearly basis.

Pending Approvals:

Following is the list of important approvals and sanctions which we believe are due to be taken during the proposed project commissioning but are pending as on the date of this Prospectus:

1. We have applied for change of name in the records of TANGEDCO for Windmill Nos. 407 and 122 which were in the name of the seller, The KTM Jewellery Ltd. The application is pending for approval.
2. For laying the 33KV transmission line approval from local panchayat and Load flow result from TANTRANSCO are required. Our Company has obtained the quotation from M/s. ifox Renewables & Infra Pvt. Ltd for supply, laying and obtaining all the approvals for such transmission lines.
3. For commencing commercial operations of wind mills we need a No objection certificate(NOC) from NCES(TANGEDCO), Drawing approval from Chief Electricity inspector to government, Safety Certificate from Chief Electricity inspector to government and a Commissioning certificate from TANGEDCO. The quotation obtained from M/s. Wind world India Ltd includes securing and transferring of all the approvals required for the set up of the windmill.

OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

The Issue has been authorized by a resolution passed by our Board of Directors at its meeting held on July 6, 2015 and by the shareholders of our Company by a special resolution, pursuant to Section 62(1)(c) of the Companies Act, 2013, passed at the Annual General Meeting of our Company held on September 7, 2015.

Our Board has approved the Draft Prospectus and Prospectus at their meetings held on June, 02 2016 and June 22, 2016.

We have obtained the approval of our lender, Indian Bank Ltd for the IPO.

We have received approval from NSE-EMERGE vide letter dated June 16, 2016 to use the name of NSE in this offer document for listing of our Equity Shares on NSE EMERGE. NSE is the Designated Stock Exchange.

PROHIBITION BY SEBI, RBI OR OTHER GOVERNMENTAL AUTHORITIES

Our Company, our Promoters, our Directors, our Promoter Group and our Group Entities, 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.

The companies with which our Promoters, our Directors or persons in control of our Company are/ were associated as promoters, directors or persons in control 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.

None of our Directors are in any manner associated with the securities market. There has been no action taken by SEBI against any of our Directors or any entity our Directors are associated with as directors.

Neither our Company, nor our Promoters, or the relatives (as defined under the Companies Act) of our Promoters or Group Entities have been identified as willful defaulters by the RBI or any other governmental authority. There are no violations of securities laws committed by them in the past or no proceedings thereof are pending against them.

ELIGIBILITY FOR THE ISSUE

Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations; and this Issue is an "Initial Public Offer" in terms of the SEBI (ICDR) Regulations.

Our Company is eligible for the Issue in accordance with Regulation 106(M) (1) and other provisions of Chapter XB of the SEBI (ICDR) Regulations, as we are an Issuer whose post issue paid up capital do not exceed ten crores rupees shall issue its specified securities in accordance with provisions of chapter XB Issue of specified securities by small and medium enterprises] of ICDR regulations. (In this case being the "SME Platform of NSE EMERGE"). Our Company also complies with the eligibility conditions laid by the NSE Emerge Platform for listing of our Equity Shares.

1. In accordance with regulation 106(P) of the SEBI ICDR Regulations, this Issue will be 100% underwritten and that the LM will underwrite at least 15% of the total issue size. For further details pertaining to underwriting please refer to chapter titled "General Information" beginning on page 38 of this Prospectus.

2. In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date our company becomes liable to repay it, than our company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed u/s 40 of the Companies Act, 2013

3. In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, we have not filed any Draft Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our Lead Manager submits the copy of Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.

4. In accordance with Regulation 106(V) of the SEBI ICDR Regulations, the Lead Manager will ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares offered in the Issue. For further details of the market making arrangement see chapter titled "General Information" beginning on page 38 of this Prospectus.

5. The Company has been incorporated on 5th June, 2012 and has track record of over three years and have positive cash accruals (earnings before depreciation and tax) from operations for at least 2 financial years.

6. The Company shall mandatorily facilitate trading in demat securities and has entered into agreements with both the depositories.

7. The Company has not been referred to Board for Industrial and Financial Reconstruction.

8. No petition for winding up is admitted by a court of competent jurisdiction or a liquidator has been appointed against the Company.

9. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.

10. The Company has a website: www.kkvagropowers.com

11. There has been no change in the Promoter(s) of the Company in the preceding one year from the date of filling application to NSE-Emerge Platform.

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter X-B of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, 2009, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 7, Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to us in this Issue.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE OFFER DOCUMENT TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED TO MEAN 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 THIS ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MANAGER, KARVY INVESTOR SERVICES LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS FOR THE TIME BEING IN FORCE. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT PROSPECTUS, THE LEAD MANAGER, KARVY INVESTOR SERVICES LIMITED , IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, KARVY INVESTOR SERVICES LIMITED , HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED June, 2 2016, IN ACCORDANCE WITH THE SEBI (MERCHANT BANKERS) REGULATIONS, 1992.

"WE, THE UNDER NOTED LEAD MANAGER TO THE ABOVE MENTIONED FORTHCOMING ISSUE STATE AS FOLLOWS:

1. **WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE DRAFT PROSPECTUS PERTAINING TO THE SAID ISSUE;**

2. **ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:**

    A. **THE DRAFT PROSPECTUS FILED WITH THE BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**

    B. **ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**

C. **THE DISCLOSURES MADE IN THE DRAFT PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, 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 PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.**

4. **WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS.**

5. **WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTER HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK- IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT PROSPECTUS.**

6. **WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT PROSPECTUS.**

7. **WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB- REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – NOT APPLICABLE**

8. **WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF**

THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.

9. **WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE DRAFT PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION – NOTED FOR COMPLIANCE, SUBJECT TO COMPLIANCE WITH REGULATION 56 OF THE SEBI REGULATIONS**

10. **WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE. – NOT APPLICABLE****

11. **WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.**

12. **WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT PROSPECTUS:**

    A. **AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND**

    B. **AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.**

13. **WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE.**

14. **WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE THAT HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE, ETC.**

15. **WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.**

16. **WE ENCLOSE STATEMENT ON PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKERS AS PER FORMAT SPECIFIED BY THE BOARD (SEBI) THROUGH CIRCULAR – DETAILS ARE ENCLOSED IN "ANNEXURE A"**

17. **WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTION HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS."**

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**

**Section 29 of the Companies Act, 2013 provides inter alia that every company making public offers shall issue securities only in dematerialised form by complying with the provisions of the Depositories Act, 1996 and the regulations made thereunder.*

ADDITIONAL CONFIRMATIONS/ CERTIFICATION TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH OFFER DOCUMENT REGARDING NSE EMERGE

1) **"WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE DRAFT PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.**

2) **WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN DRAFT PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.**

3) **WE CONFIRM THAT THE ABRIDGED PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009. NOTED FOR COMPLIANCE**

4) **WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER. NOTED FOR COMPLIANCE**

5) **WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISO TO SUB-REGULATION OF REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE DRAFT PROSPECTUS.**

6) **WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION [106P] AND [106V] OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE. - NOTED FOR COMPLIANCE.**

7) **WE CONFIRM THAT THE ISSUER HAS REDRESSED AT LEAST NINETY-FIVE PER CENT OF THE COMPLAINTS RECEIVED FROM THE INVESTORS TILL THE END OF THE QUARTER IMMEDIATELY PRECEDING THE MONTH OF THE FILING OF THE PROSPECTUS WITH THE REGISTRAR OF COMPANIES. – NOT APPLICABLE**

Note:

The filing of this Prospectus does not, however, absolve our Company from any liabilities under section 34, section 35, section 36 OR section 38(1) of the Companies Act, 2013 or from the requirement of obtaining such statutory and other clearances as may be required for the purpose of the proposed Issue. SEBI further reserves the right to take up at any point of time, with the Lead manager any irregularities or lapses in the Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Tamil Nadu, Coimbatore, in terms of sections 26, 32 and 33 of the Companies Act, 2013.

DISCLAIMER FROM OUR COMPANY AND THE LEAD MANAGER

Our Company, our Directors and the Lead Manager accept no responsibility for statements made otherwise than in this 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.kkvagropowers.com would be doing so at his or her own risk.

CAUTION

The Lead Manager accepts no responsibility, save to the limited extent as provided in the agreement entered into between the Lead Manager and our Company dated 5th April, 2016, the Underwriting Agreement June 22, 2016 entered into between the Underwriters and our Company and the Market Making Agreement dated June 20, 2016 entered into among the Lead Manager, Market Maker and our Company.

Our Company and the 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 centers, etc.

Note: 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 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 LEAD MANAGER

Price Information of past issues handled by the Lead Manager

A. Summary statement of price information of past issues handled by Karvy Investor Services Limited

Sr. No.	Issue Name	Issue Size (₹ Crs.)	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
1	Pennar Engineered Building Systems Limited	156.18	178.00	September 10, 2015	177.95	-1.44%, (+5.16%)	-5.86%, (-2.25%)	-13.45 (-3.89%)

Source: NSE Website, benchmark index used is Nifty.

Track Record of past issues handled by Karvy Investor Services Limited

Financial Year	Total No. of IPOs	Total Funds Raised (₹Crs.)	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 2 50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2013 – 14	–	–	–	–	–	–	–	–	–	–	–	–	–	–
2014 – 15	–	–	–	–	–	–	–	–	–	–	–	–	–	–
2015	1	156.18	–	–	1	–	–	–	-	-	1	-	-	-

Source: NSE Website

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, Indian Mutual Funds registered with SEBI, 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, 2013, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of ₹2,500 Lacs, pension funds with minimum corpus of ₹2,500 Lacs and the National Investment Fund, and permitted non- residents including FIIs, Eligible NRIs, QFIs, 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 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 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 Coimbatore 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 this Prospectus has been filed with NSE for its observations and NSE shall give its observations in due course. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company 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 Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

DISCLAIMER CLAUSE OF NSE EMERGE PLATFORM

"As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/76783 dated June 16, 2016 permission to the Issuer to use the Exchange's name in this Offer Document as one of the stock exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever."

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever."

FILING

The Draft Prospectus shall not be filed with SEBI, nor will SEBI issue any observation on the offer document in term of Reg. 106(M)(3). However, a copy of the Prospectus shall be filed with SEBI at the Regional Office at Chennai, SEBI Southern Regional Office, Overseas Towers, 7th Floor, 756-L, Anna Salai, Chennai – 600 002, Tamil Nadu, A copy of the Prospectus, along with the documents required to be filed under Section 26 of the Companies Act, 2013 will be delivered to the ROC, Coimbatore, Tamil Nadu.

LISTING

In terms of Chapter XB of the SEBI (ICDR) Regulations, there is no requirement of obtaining in- principle approval from NSE-Emerge Platform. However application will be made to the NSE-Emerge Platform for obtaining permission to deal in and for an official quotation of our Equity Shares. NSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The NSE-Emerge Platform has given its in-principle approval for using its name in our Prospectus vide its letter dated June 16, 2016.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the NSE- Emerge Platform, our Company will forthwith repay, without interest, all moneys received from the applicants in pursuance of the Prospectus. If such money is not repaid within 8 days after our Company becomes liable to repay it (i.e. from the date of refusal or within 6 working days from the Issue Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of 8 days, be liable to repay the money, with interest at the rate of 15% per annum on application money, as prescribed under section 40 of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the NSE-Emerge Platform mentioned above are taken within six Working Days from the Issue Closing Date.

CONSENTS

Consents in writing of: (a) the Directors, the Promoters, the Company Secretary and Compliance Officer, Chief Financial Officer, the Auditors, Banker to the Company; and (b) Lead manager, Underwriters, Market Makers Registrar to the Issue, Legal Advisor to the Issue, Banker to the Issue to act in their respective capacities have been obtained and shall be filed along with a copy of the Prospectus with the RoC, as required under Section 26 & 32 of Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC. Our Auditors have given their written consent to the inclusion of their report in the form and context in which it appears in this Prospectus and such consent and report is not withdrawn up to the time of delivery of this Prospectus with NSE.

EXPERT OPINION

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

1. Report of the Statutory Auditor on Statement of Tax Benefits
2. Report of the Statutory Auditor on Restated Financial Statements.

PUBLIC ISSUE EXPENSES

The expenses of this Issue include, among others, underwriting and management fees, selling commission, printing and distribution expenses, legal fees, statutory advertisement expenses and listing fees. The estimated Issue expenses are as follows:

Particulars	Estimated Expense	% Of Issue Expenses	% of Total Issue size
Issue management fees including fees and reimbursements of Market Making fees, selling commissions, brokerages, and payment to other intermediaries such as Legal Advisors, Registrars and other out of pocket expenses.	25.50	79.69%	7.11%
Advertising and Marketing Expenses	2.00	6.25%	0.56%
Printing, Stationery & Distribution	2.50	7.81%	0.70%
Statutory and other Miscellaneous Expenses	2.00	6.25%	0.56%
Total	32.00	100.00	8.93%

FEES PAYABLE TO LEAD MANAGER TO THE ISSUE

The total fees payable to the Lead Manager will be as per the Engagement Letter from our Company and Lead Manager and Issue Agreement signed with the Lead Manager, copy of which is available for inspection at the Registered Office of our Company.

FEES PAYABLE TO THE REGISTRAR TO THE ISSUE

The fees payable by the Company to the Registrar to the Issue for processing of application, data entry, printing of refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the agreement between registrar and our Company, copy of which is available for inspection at the Registered Office of our Company.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided by the Company to the Registrar to the Issue to enable them to send refund orders or allotment advice by registered post/ speed post/ under certificate of posting.

FEES PAYABLE TO OTHERS

The total fees payable to the Legal Advisor, Auditor and Advertiser, etc. will be as per the terms of their respective engagement letters.

UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION

The underwriting commission and the selling commission for the Issue are as set out in the Underwriting Agreement amongst the Company and Underwriters. The underwriting commission shall be paid as set out in the Underwriting Agreement based on the Issue price and the amount underwritten in the manner mentioned in this Prospectus.

CAPITAL ISSUE DURING THE LAST FIVE YEARS

KKV Agro Powers Limited and its Group Companies have not made any capital issue viz. initial public offering, rights issue or composite issue during the last five years.

PREVIOUS PUBLIC OR RIGHTS ISSUE

There have been no public or rights issue by our Company during the last five years.

PREVIOUS ISSUES OF EQUITY SHARES OTHERWISE THAN FOR CASH

Except as stated in the section titled “Capital Structure” on page 46 of this Prospectus, we have not made any previous issues of shares for consideration otherwise than for cash.

COMMISSION AND BROKERAGE PAID ON PREVIOUS ISSUES OF OUR EQUITY SHARES

Since this is the Initial Public Offer of the Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since inception of the Company.

PROMISE VIS-À-VIS PERFORMANCE

Our Company has not made any public or rights issue since its inception.

PARTICULARS IN REGARD TO OUR COMPANY AND OTHER LISTED COMPANIES UNDER THE SAME MANAGEMENT WITHIN THE MEANING OF SECTION 370(1) (B) OF THE COMPANIES ACT, 1956 / SECTION 186 OF THE COMPANIES ACT, 2013 WHICH MADE ANY CAPITAL ISSUE DURING THE LAST THREE YEARS

There are no listed companies under the same management within the meaning of Section 370(1)(b) of the Companies Act, 1956 / Section 186 of the Companies Act, 2013 that made any capital issue viz. initial public offering, rights issue or composite issue during the last three years.

OUTSTANDING DEBENTURES OR BONDS AND REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS

There are no outstanding debentures or bonds or redeemable preference shares and other instruments issued by the Company as on the date of this Prospectus.

STOCK MARKET DATA FOR OUR EQUITY SHARES

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

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The agreement between the Registrar to the Issue and our Company provides for the retention of records with the Registrar to the Issue for a period of at least three years from the last date of dispatch of the letters of Allotment, demat credit and refund orders to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

All grievances relating to the Offer may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant SCSB or the member of the Syndicate (in Specified Cities), as the case may be, where the Bid cum Application Form was submitted by the ASBA Bidder, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount blocked on application and designated branch or the collection centre of the SCSBs or the member of the Syndicate (in Specified Cities), as the case may be, where the Bid cum Application Form was submitted by the ASBA Bidder.

DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the SCSB (in case of ASBA Bidders), for redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible. Our Company has constituted Stakeholder Relationship Committee comprising Dr.V.Chandrasekaran, Mr.A.C.Vineeth Kumar and Mr.T.Gnanasekar. We has also appointed Mrs.C.Renuka as Company Secretary and Compliance Officer and she may be contacted in case of any pre-issue or post-issue problems. She can be contacted at the following address:

Vivagaa Building,
#637, Oppanakara Street,
Coimbatore,
Tamil Nadu, India – 641 001.
Tel: +91 - 422 - 2303881
Fax number: +91- 422 – 2303880
Email:smeipo@kkvagropowers.com

CHANGES IN AUDITORS
There has been no change in the auditors of our Company for the last three years.

CAPITALIZATION OF RESERVES OR PROFITS DURING LAST FIVE (5) YEARS
Our company has not capitalized any reserves since inception.

REVALUATION OF ASSETS DURING THE LAST FIVE (5) YEARS
Our Company has not revalued its assets since inception.

PURCHASE OF PROPERTY
Other than as disclosed in this Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of this Prospectus. Except as stated elsewhere in this Prospectus, our Company has not purchased any property in which the Promoters and/or Directors have any direct or indirect interest in any payment made thereunder.

SERVICING BEHAVIOR
There has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

SECTION VII – ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued are subject to the provisions of the Companies Act, SEBI (ICDR) Regulations, 2009, our Memorandum and Articles of Association, the terms of this Prospectus, the Application Form, the Revision Form, the Confirmation of Allocation Note and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of this Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, NSE EMERGE platform, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10. 2015 All the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official websites of the concerned stock exchanges for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available

Authority for the Issue

This Issue of Equity Shares has been authorized by the Board of Directors of our Company at their meeting held on July 06, 2015 and was approved by the Shareholders of the Company by passing a Special Resolution at the Annual General Meeting held on September 07, 2015 in accordance with the provisions of Section 62 (1) (C) of the Companies Act, 2013.

Ranking of Equity Shares

The Equity Shares being issued shall be subject to the provisions of the Companies Act, our Memorandum and Articles of Association and shall rank pari-passu in all respects including dividend with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment.

For further details, please see the section titled *"Main Provisions of the Articles of Association of our Company"* beginning on page 270 of this Prospectus.

Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act, SEBI Listing obligations and disclosure requirements Regulations and recommended by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act, 2013. For further details, please see the chapter titled *"Dividend Policy"* beginning on page 150 of this Prospectus.

Face Value and Issue Price

The Equity Shares having a face value of ₹10 each are being issued in terms of this Prospectus at the price of ₹320 per Equity Share. The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the chapter titled *"Basis for Issue Price"* beginning on page 67 of this Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation;
- Right of free transferability; and
- Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the SEBI listing regulations and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien and / or consolidation / splitting, etc., please see the section titled *"Main Provisions of Articles of Association of our company"* beginning on page 270 of this Prospectus

Minimum Application Value; Market Lot and Trading Lot

In terms of section 29 of Companies Act, 2013, the Equity Shares shall be allotted only in dematerialized form i.e. not in the form of physical certificates, but be fungible and be represented by the statement issued through electronic mode. The trading of the Equity Shares will happen in the minimum contract size of 400 Equity Shares and the same may be modified by the NSE Emerge Platform from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Issue will be done in multiples of 400 Equity Shares subject to a minimum allotment of 400 Equity Shares to the successful Applicants.

Minimum Number of Allottees
The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies collected shall be unblocked forwith.

Joint Holders
Where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

Nomination Facility to Investor
In accordance with Section 72 (1) & 72 (2) of the Companies Act, 2013, the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 (3) of the Companies Act, 2013, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in accordance to Section 72 (4) of the Companies Act, 2013, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Articles of Association of the Company, any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with. In case the allotment of Equity Shares is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

Minimum Subscription

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten.

As per Section 39 of the Companies Act, 2013, if the "stated minimum amount" has not be subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the offer through the Offer Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within 6 working days of closure of issue.

Further, in accordance with Regulation 106Q of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than ₹1,00,000/- (Rupees One Lakh) per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Arrangements for Disposal of Odd Lots

The trading of the Equity Shares will happen in the minimum contract size of 400 shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the Exchange Platform of NSE.

Restrictions, if any, on transfer and transmission of shares or debentures and on their consolidation or splitting

Except for lock-in of the pre-Issue Equity Shares and Promoter's minimum contribution as detailed in chapter titled "Capital Structure" beginning on page 46 of this Prospectus, and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of Equity Shares and on their consolidation/ splitting except as provided in the Articles of Association. Please refer to the section "Main Provisions of the Articles of Association" beginning on page 270 of this Prospectus.

New Financial Instruments

The Issuer Company is not issuing any new financial instruments through this Issue

Option to receive Equity Shares in Dematerialized Form

As per Section 29(1) of the Companies Act, 2013, allotment of Equity Shares will be made only in dematerialized form. As per SEBI's circular RMB (compendium) series circular no. 2 (1999-2000) dated February 16, 2000, it has been decided by the SEBI that trading in securities of companies making an initial public offer shall be in Dematerialised form only. Our Company shall issue shares only in dematerialized. Investors making application in dematerialized form may get the specified securities rematerialized subsequent to allotment

Migration to Main Board
Our company may migrate to the main board of NSE Emerge Exchange at a later date subject to the following:

a) If the Paid up Capital of our Company is likely to increase above ₹2500 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 times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), our Company shall apply to NSE for listing of its shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

b) If the Paid up Capital of our company is more than 10 crores but below ₹2500 lakhs, our Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

Market Making
The shares offered though this issue are proposed to be listed on the NSE Emerge (Emerge Platform) wherein the Lead Manager to the issue shall ensure compulsory Market Making through registered Market Makers of the NSE Emerge for a minimum period of three years from the date of listing of shares offered though this Prospectus. For further details of the Market Making arrangement see chapter titled - General Information‖ beginning on page 38 of this Prospectus

Jurisdiction
Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Coimbatore, Tamil Nadu. The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States, and may not be offered or sold within the United States, except pursuant to an exemption from or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur. The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 106 (M) (1) of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, an issuer whose post issue face value capital does not exceed more than ten crore rupees, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the NSE Emerge Platform). For further details regarding the salient features and terms of such this Issue, please see the chapters titled "*Terms of the Issue*" and "*Issue Procedure*" beginning on pages 219 and 226 respectively, of this Prospectus. Following is the issue structure:

Public Issue Of 1,12,000 Equity Shares Of ₹10/- Each ("Equity Shares") Of KKV Agro Powers Limited ("KKVAPL" Or The "Company" Or The "Issuer") For Cash At A Price Of ₹320/- Per Share (The "Issue Price"), Aggregating To ₹358.40 Lakhs ("The Issue"). The Net Issue Constitutes 29.33% Of The Post Issue Paid Up Equity Share Capital of the Company.

Particulars of the Issue	Net Public Issue*	Market Maker
Number of Equity Shares available for allocation to public	1,06,400 Equity Shares	5,600 Equity Shares
Percentage of Post issue Share Capital	29.33%	1.54%
Basis of Allotment	Proportionate subject to minimum allotment of 400 Equity Shares and further allotment in multiples of 400 Equity Shares each.	Firm Allotment
Mode of Application	Through ASBA Process Only	Through ASBA Process Only
Minimum Application Size	*For QIB and NII:* Such number of Equity Shares in multiples of 400 Equity Shares such that the Application Value exceeds ₹2,00,000. *For Retail Individuals:* 400 Equity Shares	*5,600 Equity Shares*
Maximum Application Size	*For QIB and NII:* The maximum application size is the Net Issue to public subject to limits the investor has to adhere under the relevant laws and regulations applicable. *For Retail Individuals:* 400 Equity Shares	*5,600 Equity Shares*
Mode of Allotment	Dematerialized Form	Dematerialized form
Trading Lot	400 Equity Shares	400 Equity Shares, However market maker may accept odd lots if any in the market as required under SEBI (ICDR) Regulations.
Terms of Payment	Entire application money shall be payable at the time of submission of application form.	

**As per regulation 43(4) of SEBI ICDR, In an issue made other than through the book building process, allocation in the net offer to public category shall be made as follows:*

(a) minimum fifty per cent. to retail individual investors; and

(b) remaining to:

(i) individual applicants other than retail individual investors; and

(ii) other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;

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

Withdrawal of the Issue

The Company, in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time before the Issue Opening Date, without assigning any reason thereof. Notwithstanding the foregoing, the Issue is also subject to obtaining the following:

i. The final listing and trading approvals of NSE for listing of Equity Shares offered through this Issue on its SME Platform, which the Company shall apply for after Allotment; and

ii. The final RoC approval of the Prospectus after it is filed with the RoC.

In case, the Company wishes to withdraw the Issue after Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (one each in English and Hindi) and in one regional newspaper.

The Lead Manager, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly. If our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh offer document with the stock exchange where the Equity Shares may be proposed to be listed.

Issue Programme

ISSUE OPENING DATE	June 30, 2016 (Thursday)
ISSUE CLOSING DATE	July 07, 2016 (Thursday)

Applications and any revisions to the same will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centers mentioned in the Application Form. On the Issue Closing date application and revision to the same will be accepted between 10.00a.m and 3.00p.m. Applications will be accepted during issue period on working days only.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (DIPPII), issued Consolidated FDI Policy Circular of 2015 ("FDI Policy 2015"), which with effect from May 12, 2015, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force and effect as on May 11, 2015. However, press note 4 of (2015 Series), dated April 24, 2015, regarding policy on foreign investment in pension sector, will remain effective. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2015 will be valid until the DIPP issues an updated circular. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI Policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/ RBI. As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("US Securities Act") or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of "US Persons" as defined in Regulation S, except pursuant to exemption from, or in a transaction not subject to the registration requirements of US Securities Laws. Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US 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 Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction, The above information is given for the benefit of the Applicants.

The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the Application is not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

ISSUE PROCEDURE

All Applicants should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI (the "General Information Document") included below under section "Part B-General Information Document", which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 1956(to the extent not repealed), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Regulations. The General Information Document has been updated to include reference to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, SEBI Listing Regulations and certain notified provisions of the Companies Act, 2013(to the extent notified). The General Information Document is also available on the websites of the Stock Exchange and the Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company and the Lead Manager would not be liable for any amendment, modification or change in applicable law, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that their Applications do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Prospectus and the Prospectus.

This section applies to all the Applicants, please note that all the Applicants are required to make payment of the full Application Amount along with the Application Form.

FIXED PRICE ISSUE PROCEDURE

The Issue is being made under Regulation 106(M)(1) of Chapter XB of SEBI ICDR Regulations, via Fixed Price Process.

Applicants are required to submit their Applications to the Application Collecting Intermediaries. In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing.

In case of Non Institutional Applicants and Retail Individual Applicants, our Company would have a right to reject the Applications only on technical grounds.

Investors should note that the Equity Shares will be allotted to all successful Applicants only in dematerialized form. Applicants will not have the option of being Allotted Equity Shares in physical form.

Further the Equity shares on allotment shall be trade only in the dematerialized segment of the Stock Exchange, as mandated by SEBI.

AVAILABILITY OF PROSPECTUS AND APPLICATION FORMS

The Memorandum containing the salient features of the Prospectus together with the Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, from the Registered Office of the Lead Manager to the Issue, Registrar to the Issue as mentioned in the Application form. The application forms may also be downloaded from the website of NSE i.e.www.nseindia.com. Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Prospectus. All the applicants shall have to apply only through the ASBA process. ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking of funds that are available in the bank account specified in the Application Form used by ASBA applicants. Upon completing and submitting the Application Form for Applicants to the SCSB, the Applicant is deemed to have authorized our Company to make the necessary changes in the Prospectus and the ASBA as would be required for filing the Prospectus with the RoC and as would be required by RoC after such filing, without prior or subsequent notice of such changes to the Applicant. Application forms submitted to the SCSBs should bear the stamp of respective intermediaries to whom the application form submitted. Application form submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch. Application forms submitted by Applicants whose beneficiary account is inactive shall be rejected. The prescribed colour of the Application Form for various categories is as follows:

Category	Colour
Resident Indians and Eligible NRIs applying on a non-repatriation basis (ASBA)	White
Non-Residents and Eligible NRIs, FIIs, FVCIs, etc. applying on a repatriation basis (ASBA)	Blue

In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process.

Submission and Acceptance of Application Forms.
Applicants are required to submit their applications only through any of the following Application Collecting Intermediaries

I. An SCSB, with whom the bank account to be blocked, is maintained
II. A syndicate member (or sub-syndicate member)
III. A stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
IV. A depository participant ('DP') (Whose name is mentioned on the website of the stock exchange as eligible for this activity)
V. A registrar to an issuer and share transfer agent ('RTA') (Whose name is mentioned on the website of the stock exchange as eligible for this activity)

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

For Applications submitted by investors to SCSB:	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchanges(s) and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For Applications submitted by investors to	After accepting the application form, respective

intermediaries other than SCSBs:	intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange(s). Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.

Upon completion and submission of the Application Form to Application Collecting intermediaries, the Application are deemed to have authorised our Company to make the necessary changes in the prospectus, without prior or subsequent notice of such changes to the Applicants.

Availability of Prospectus and Application Forms: The Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company. Lead Manager to the Issue, Registrar to the Issue as mentioned in the application Form. The application forms may also be downloaded from the website of NSE Limited i.e. www.nseindia.com

WHO CAN APPLY?

In addition to the category of Applicants as set forth under "General Information Document for Investing in Public Issues - Category of Investors Eligible to participate in an Issue", the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

• Scientific and / or industrial research organizations authorized in India to invest in the Equity Shares.
• Any other persons eligible to apply in this Issue under the laws, rules, regulations, guidelines and policies applicable to them.

MAXIMUM AND MINIMUM APPLICATION SIZE

1. For Retail Individual Applicants
The Application must be for a minimum of 400 Equity Shares and in multiples of 400 Equity Shares thereafter, so as to ensure that the Application Price payable by the Applicant does not exceed ₹2,00,000. In case of revision of Applications, the Retail Individual Applicants have to ensure that the Application Price does not exceed ₹2,00,000.

2. For Other than Retail Individual Applicants (Non-Institutional Applicants and QIBs):
The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹2,00,000 and in multiples of 400 Equity Shares thereafter. An Application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application. In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than ₹2, 00,000 for being considered for allocation in the Non-Institutional Portion.

Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Prospectus.

OPTION TO SUBSCRIBE IN THE ISSUE

a) As per Section 29(1) of the Companies Act, 2013 allotment of Equity Shares shall be in dematerialized form only.
b) The equity shares, on allotment, shall be traded on Stock Exchange in demat segment only.
c) A single application from any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him/her/it under the relevant regulations/statutory guidelines.

PARTICIPATION BY ASSOCIATES / AFFILIATES OF LEAD MANAGER

The Lead Manager, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Lead Manager, if any, may purchase the Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Applicants, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

APPLICATION BY INDIAN PUBLIC INCLUDING ELIGIBLE NRI'S APPLYING ON NON REPATRIATION

Application must be made only in the names of individuals, limited companies or statutory corporations/institutions and not in the names of minors, foreign nationals, non-residents (except for those applying on non-repatriation), trusts, (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is authorized under its constitution to hold shares and debentures in a company), Hindu undivided families, partnership firms or their nominees. In case of HUFs, application shall be made by the Karta of the HUF. An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public. Eligible NRIs applying on a non-repatriation basis may make payments by inward remittance in foreign exchange through normal banking channels or by debits to NRE/FCNR accounts as well as NRO accounts.

APPLICATIONS BY ELIGIBLE NRI'S/RFPI's ON REPATRIATION BASIS

Application Forms have been made available for eligible NRIs at our Registered Office and at the Registered Office of the Lead manager. Eligible NRI Applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment under the reserved category. The eligible NRIs who intend to make payment through Non Resident Ordinary (NRO) accounts shall use the Forms meant for Resident Indians and should not use the forms meant for the reserved category. Under FEMA, general permission is granted to companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRIs subject to the terms and conditions stipulated therein. Companies are required to file the declaration in the prescribed form to the concerned Regional Office of RBI within 30 days from the date of issue of shares for allotment to NRIs on repatriation basis. Allotment of equity shares to Non Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in equity shares will be allowed to be repatriated along with the income thereon subject to permission of the RBI and subject to the Indian tax laws and regulations and any other applicable laws.

As per the current regulations, the following restrictions are applicable for investments by FPIs:

1. A foreign portfolio investor shall invest only in the following securities, namely- (a) Securities in the primary and secondary markets including shares, debentures and warrants of companies, listed or to be listed on a recognized stock exchange in India; (b) Units of schemes floated by domestic mutual funds, whether listed on a recognized stock exchange or not; (c) Units of schemes floated by a collective investment scheme; (d) Derivatives traded on a recognized stock exchange; (e) Treasury bills and dated government securities; (f) Commercial papers issued by an Indian company; (g) Rupee denominated credit enhanced bonds; (h) Security receipts issued by asset reconstruction companies; (i) Perpetual debt instruments and debt capital instruments, as specified by the Reserve Bank of India from time to time; (j) Listed and unlisted non-convertible debentures/bonds issued by an Indian company in the infrastructure sector, where "infrastructure" is defined in terms of the extant External Commercial Borrowings (ECB) guidelines; (k) Non-convertible debentures or bonds issued by Non-Banking Financial Companies categorized as Infrastructure Finance Companies (IFCs) by the Reserve Bank of India; (l) Rupee denominated bonds or units issued by infrastructure debt funds; (m) Indian depository receipts; and (n) Such other instruments specified by the Board from time to time.

2. Where a foreign institutional investor or a sub account, prior to commencement of these regulations, holds equity shares in a company whose shares are not listed on any recognized stock exchange, and continues to hold

such shares after initial public offering and listing thereof, such shares shall be subject to lock-in for the same period, if any, as is applicable to shares held by a foreign direct investor placed in similar position, under the policy of the Government of India relating to foreign direct investment for the time being in force.

3. In respect of investments in the secondary market, the following additional conditions shall apply:

a. A foreign portfolio investor shall transact in the securities in India only on the basis of taking and giving delivery of securities purchased or sold;

b. Nothing contained in clause (a) shall apply to:

(i) Any transactions in derivatives on a recognized stock exchange;

(ii) Short selling transactions in accordance with the framework specified by the Board;

(iii) Any transaction in securities pursuant to an agreement entered into with the merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(iv) Any other transaction specified by the Board.

c. No transaction on the stock exchange shall be carried forward;

d. The transaction of business in securities by a foreign portfolio investor shall be only through stock brokers registered by the Board; provided nothing contained in this clause shall apply to:

(i) Transaction in Government securities and such other securities falling under the purview of the Reserve Bank of India which shall be carried out in the manner specified by the Reserve Bank of India;

(ii) sale of securities in response to a letter of offer sent by an acquirer in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(iii) sale of securities in response to an offer made by any promoter or acquirer in accordance with the Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009;

(iv) Sale of securities, in accordance with the Securities and Exchange Board of India (Buy-back of securities) Regulations, 1998;

(v) divestment of securities in response to an offer by Indian Companies in accordance with Operative Guidelines for Disinvestment of Shares by Indian Companies in the overseas market through issue of American Depository Receipts or Global Depository Receipts as notified by the Government of India and directions issued by Reserve Bank of India from time to time;

(vi) Any bid for, or acquisition of, securities in response to an offer for disinvestment of shares made by the Central Government or any State Government;

(vii) Any transaction in securities pursuant to an agreement entered into with merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(viii) Any other transaction specified by the Board.

e. A foreign portfolio investor shall hold, deliver or cause to be delivered securities only in dematerialized form. Provided that any shares held in non-dematerialized form, before the commencement of these regulations, can be held in non-dematerialized form, if such shares cannot be dematerialized. Unless otherwise approved by the Board, securities shall be registered in the name of the foreign portfolio investor as a beneficial owner for the purposes of the Depositories Act, 1996.

4. The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below ten percent of the total issued capital of the company.

5. The investment by the foreign portfolio investor shall also be subject to such other conditions and restrictions as may be specified by the Government of India from time to time.

6. In cases where the Government of India enters into agreements or treaties with other sovereign Governments and where such agreements or treaties specifically recognize certain entities to be distinct and separate, the Board may, during the validity of such agreements or treaties, recognize them as such, subject to conditions as may be specified by it.

7. A foreign portfolio investor may lend or borrow securities in accordance with the framework specified by the Board in this regard.
No foreign portfolio investor may issue, subscribe to or otherwise deal in offshore derivative instruments, directly or indirectly, unless the following conditions are satisfied:

   a. Such offshore derivative instruments are issued only to persons who are regulated by an appropriate foreign regulatory authority;

   b. Such offshore derivative instruments are issued after compliance with "know your client" norms.

Provided that those unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated shall not issue, subscribe or otherwise deal in offshore derivatives instruments directly or indirectly. Provided further that no Category III foreign portfolio investor shall issue, subscribe to or otherwise deal in offshore derivatives instruments directly or indirectly.

A foreign portfolio investor shall ensure that further issue or transfer of any offshore derivative instruments issued by or on behalf of it is made only to persons who are regulated by an appropriate foreign regulatory authority.

Foreign portfolio investors shall fully disclose to the Board any information concerning the terms of and parties to off-shore derivative instruments such as participatory notes, equity linked notes or any other such instruments, by whatever names they are called, entered into by it relating to any securities listed or proposed to be listed in any stock exchange in India, as and when and in such form as the Board may specify.

Any offshore derivative instruments issued under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 before commencement of SEBI (Foreign Portfolio Investors) Regulations, 2014 shall be deemed to have been issued under the corresponding provisions of SEBI (Foreign Portfolio Investors) Regulations, 2014.

The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below 10% of the total issued capital of the company.

An FII or its subaccount which holds a valid certificate of registration shall, subject to payment of conversion fees, be eligible to continue to buy, sell or otherwise deal in securities till the expiry of its registration as a foreign institutional investor or sub-account, or until he obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

A qualified foreign investor may continue to buy, sell or otherwise deal in securities subject to the provisions of the SEBI (Foreign Portfolio Investors) Regulations, 2014, for a period of one year from the date of commencement of the aforesaid regulations, or until it obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

APPLICATION BY MUTUAL FUNDS

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid -up share capital carrying voting rights.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

The Applications made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

APPLICATION BY LIMITED LIABILITY PARTNERSHIPS

In case of Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

APPLICATIONS BY INSURANCE COMPANIES

In case of applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended (the "**IRDA Investment Regulations**"), are broadly set forth below:

(a) equity shares of a company: the least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;

(b) the entire group of the investee company: the least of 10% of the respective fund in case of a life insurer or 10% of investment assets in case of a general insurer or reinsurer (25% in case of Unit Linked Insurance Plans); and

(c) The industry sector in which the investee company operates: 10% of the insurer's total investment exposure to the industry sector (25% in case of ULIPS).

In addition, the IRDA partially amended the exposure limits applicable to investments in public limited companies in the infrastructure and housing sectors, i.e. 26th December, 2008, providing, among other things, that the exposure of an insurer to an infrastructure company may be increased to not more than 20%, provided that in case of equity investment, a dividend of not less than 4% including bonus should have been declared for at least five preceding years. This limit of 20% would be combined for debt and equity taken together, without sub ceilings.

Further, investments in equity including preference shares and the convertible part of debentures shall not exceed 50% of the exposure norms specified under the IRDA Investment Regulations.

APPLICATION BY PROVIDENT FUNDS/ PENSION FUNDS

In case of Applications made by provident funds with minimum corpus of ₹2500 Lakhs (subject to applicable law) and pension funds with minimum corpus of ₹2500 Lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

The above information is given for the benefit of the Applicants. Our Company and Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Prospectus. Applicants are advised to make their independent investigations and ensure that any single application from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in this Prospectus.

APPLICATION UNDER POWER OF ATTORNEY

In case of Applications made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FPI's, Mutual Funds, insurance companies and provident funds with minimum corpus of ₹2500 Lacs (subject to applicable law) and pension funds with a minimum corpus of ₹2500 Lacs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the Memorandum of Association and Articles of Association and/ or bye laws must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof. With respect to applications by VCFs, FVCIs, and FPIs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may belong with a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.

In case of Applications made pursuant to a power of attorney by Mutual Funds, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with the certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made by insurance companies registered with the Insurance Regulatory and Development Authority, a certified copy of certificate of registration issued by Insurance Regulatory and Development Authority must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made pursuant to a power of attorney by FIIs, 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 their SEBI registration certificate must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made by provident funds with minimum corpus of ₹2500 Lakhs (subject to applicable law) and pension funds with minimum corpus of ₹2500 Lakhs, a certified copy of certificate from a Chartered Accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

INFORMATION FOR THE APPLICANTS

1. Our Company and the Lead Managers shall declare the Issue Opening Date and Issue Closing Date in the Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in one regional newspaper with wide circulation. This advertisement shall be in the prescribed format.

2. Our Company will file the Prospectus with the RoC at least three days before the Issue Opening Date.

3. Any Applicant who would like to obtain the Prospectus and/or the Application Form can obtain the same from our Registered Office.

4. Applicants who are interested in subscribing to the Equity Shares should approach any of the Application Collecting Intermediaries or their authorised agent(s).

5. Applications should be submitted in the prescribed Application Form only. Application Forms submitted to the SCSBs should bear the stamp of the respective intermediary to whom the application form is submitted. Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch. Application Forms submitted by Applicants whose beneficiary account is inactive shall be rejected.

6. The Application Form can be submitted either in physical or electronic mode, to the Application Collecting Intermediaries. Further Application Collecting Intermediary may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account.

7. Except for applications by or on behalf of the Central or State Government and the officials appointed by the courts and by investors residing in the State of Sikkim, the Applicants, or in the case of application in joint names, the first Applicant (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participants transacting in the securities market, irrespective of the amount of transaction. Any Application Form without PAN is liable to be rejected. The demat accounts of Applicants for whom PAN details have not been verified, excluding persons resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Applicants.

8. The Applicants may note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic collecting system of the Stock Exchange by the Bankers to the Issue or the SCSBs do not match with PAN, the DP ID and Client ID available in the Depository database, the Application Form is liable to be rejected.

METHOD AND PROCESS OF APPLICATIONS

1. Applicants are required to submit their applications during the Issue Period only through the following Application collecting intermediary
   (i) an SCSB, with whom the bank account to be blocked, is maintained
   (ii) a syndicate member (or sub-syndicate member)
   (iii) a stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ("broker")
   (iv) a depository participant ("DP") (whose name is mentioned on the website of the stock exchange as eligible for this activity)

(v) a registrar to an issue and share transfer agent ("RTA") (whose name is mentioned on the website of the stock exchange as eligible for this activity)

2. The Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding 10 Working Days.

3. The Intermediaries shall accept applications from all Applicants and they shall have the right to vet the applications during the Issue Period in accordance with the terms of the Prospectus.

4. The Applicant cannot apply on another Application Form after applications on one Application Form have been submitted to Application Collecting intermediaries Submission of a second Application Form to either the same or to another Application Collecting Intermediary will be treated as multiple applications and is liable to be rejected either before entering the application into the electronic collecting system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue.

5. The intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively. The upload of the details in the electronic bidding system of stock exchange and post that blocking of funds will be done by as given below:

For applications submitted by investors to SCSB:	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs:	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange(s). Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.

6. Upon receipt of the Application Form directly or through other intermediary, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, and If sufficient funds are not available in the ASBA Account the application will be rejected.

7. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Applicant on request.

8. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring

the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal / failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

TERMS OF PAYMENT

The entire Issue price of ₹320 per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, The Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Applicants.

SCSBs will transfer the amount as per the instruction received by the Registrar to the Public Issue Bank Account. The balance amount after transfer to the Public Issue Account shall be unblocked by the SCSBs.

The Applicants should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between, our Company, the Bankers to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

PAYMENT MECHANISM FOR APPLICANTS

The Applicants shall specify the bank account number in the Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/rejection of the application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non Retail Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the application by the ASBA Applicant, as the case may be. Please note that pursuant to the applicability of the directions issued by SEBI vide its circular bearing number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all Investors are applying in this Issue shall mandatorily make use of ASBA facility.

ELECTRONIC REGISTRATION OF APPLICATIONS

1. The Application Collecting Intermediary will register the applications using the on-line facilities of the Stock Exchange.
2. The Application Collecting Intermediary will undertake modification of selected fields in the application details already uploaded before 1.00 p.m of the next Working day from the Issue Closing Date.
3. The Application collecting Intermediary shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the applications accepted by them, (ii) the applications uploaded by them, (iii) the applications accepted but not uploaded by them or (iv) In case the applications accepted and uploaded by any Application Collecting Intermediary other than SCSBs, the Application form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be re will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Lead Managers nor our Company, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the applications accepted by any Application Collecting Intermediaries, (ii) the applications uploaded by any Application Collecting Intermediaries or (iii) the applications accepted but not uploaded

by the Application Collecting Intermediaries.

5. The Stock Exchange will offer an electronic facility for registering applications for the Issue. This facility will be available at the terminals of the Application Collecting Intermediaries and their authorized agents during the Issue Period. The Designated Branches or the Agents of the Application Collecting Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Application Collecting Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Lead Manager on a regular basis.

6. With respect to applications by Applicants, at the time of registering such applications, the Application Collecting Intermediaries shall enter the following information pertaining to the Applicants into in the on-line system:

- Name of the Applicant;
- IPO Name;
- Application Form number;
- Investor Category;
- PAN (of First Applicant, if more than one Applicant);
- DP ID of the demat account of the Applicant;
- Client Identification Number of the demat account of the Applicant;
- Numbers of Equity Shares Applied for;
- Location of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB Branch where the ASBA Account is maintained; and
- Bank account number.

7. In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above mentioned details and mention the bank account number, except the Electronic Application Form number which shall be system generated.

8. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively. The registration of the Application by the Application Collecting Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.

9. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.

10. In case of Non Retail Applicants and Retail Individual Applicants, applications would not be rejected. Intermediaries shall have no right to reject applications, except on technical grounds.

11. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

12. The Application Collecting Intermediaries will be given time till 1.00 P.M on the next working day after the Issue Closing Date to verify the PAN No, DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic

application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.

13. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for ASBA applications

BASIS OF ALLOTMENT

Allotment will be made in consultation with NSE EMERGE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e., the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).

2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).

3. For applications where the proportionate allotment works out to less than 400 equity shares the allotment will be made as follows:

a) Each successful applicant shall be allotted 400 equity shares; and
b) The successful applicants out of the total applicants for that category shall be determined by the drawal of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.

4. If the proportionate allotment to an applicant works out to a number that is not a multiple of 400 equity shares, the number in excess of the multiple of 200 would be rounded off to the higher multiple of 400 if that number is 200 or higher. If that number is lower than 200, it would be rounded off to the lower multiple of 400. All Applicant in such categories would be Allotted Equity Shares arrived at after such rounding off.

5. If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the lower nearest multiple of 400 equity shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the offer specified under the Capital Structure mentioned in this Prospectus.

6. The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for small individual applicants as described below:

(a) A minimum of 50% of the net offer of shares to the Public shall initially be made available for allotment to retail individual investors as the case may be.

(b) The balance net offer of shares to the public shall be made available for allotment to a) individual applicants other than retails individual investors and b) other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.

(c) The unsubscribed portion of the net offer to any one of the categories specified in (a) or (b) shall/may be made

available for allocation to applicants in the other category, if so required.

(d) As per Regulation 43 (4) of SEBI (ICDR) Regulations, 2009 as amended, if the retail individual investor category is entitled to more than fifty per cent on proportionate basis, the retail individual investors shall be allocated that higher percentage.

'Retail Individual Investor' means an investor who applies for shares of value of not more than ₹2,00,000/- Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with NSE.

The Executive Director / Managing Director of NSE - the Designated Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2009.

SIGNING OF UNDERWRITING AGREEMENT

Vide an Underwriting agreement dated June 22, 2016 this issue is 100% Underwritten.

FILING OF THE PROSPECTUS WITH THE ROC

The Company will file a copy of the Prospectus with the RoC in terms of Section 26 of the Companies Act, 2013.

PRE-ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, the Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation.

ISSUANCE OF ALLOTMENT ADVICE

1. Upon approval of the Basis of Allotment by the Designated Stock Exchange.

2. The Lead Managers or the Registrar to the Issue will dispatch an Allotment Advice to their Applicants who have been allocated Equity Shares in the Issue.

The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Applicant.

DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

The Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of four (4) working days of the Issue Closing Date.

After the funds are transferred from the ASBA Public Issue Account to the Public Issue Account on the Designated Date, the Company would ensure the credit to the successful Applicants depository account. Allotment of the Equity Shares to the Allottees shall be within one working days of the date of Allotment. Investors are advised to instruct their Depository Participant to accept the Equity Shares that may be allocated/ Allotted to them pursuant to this Issue.

GENERAL

INSTRUCTIONS Do's

- Check if you are eligible to apply;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about Depository Participant and Beneficiary Account are correct as Allotment of Equity Shares will be in the dematerialized form only;
- Each of the Applicants should mention their Permanent Account Number (PAN) allotted under the Income Tax Act, 1961;
- Ensure that the demographic details are updated, true and correct in all respects;
- Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant.
- Ensure that you have funds equal to the Application Amount in your bank account maintained with the SCSB before submitting the Application Form to the respective Designated Branch of the SCSB;
- With respect to ASBA Applications ensure that the Application Form is signed by the account holder in case the applicant is not the account holder. Ensure that you have mentioned the correct bank account number in the Application Form;
- Ensure that you have requested for and receive an acknowledgement;
- All applicants should submit their applications through the ASBA process only.

Dont's

- Do not apply for lower than the minimum Application size;
- Do not apply at a Price Different from the Price mentioned herein or in the Application Form
- Do not apply on another Application Form after you have submitted an Application to the Banker to of the Issue.
- Do not pay the Application Price in cash, by money order or by postal order or by stock invest;
- Do not send Application Forms by post; instead submit the same to the Selected Branches / Offices of the Banker to the Issue.
- Do not fill in the Application Form such that the Equity Shares applied for exceeds the Issue Size and/ or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this

ground.

- Do not submit incorrect details of the DP ID, beneficiary account number and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue
- Do not submit Applications on plain paper or incomplete or illegible Application Forms in a colour prescribed for another category of Applicant
- Do not make Applications if you are not competent to contract under the Indian Contract Act, 1872, as amended.

INSTRUCTIONS FOR COMPLETING THE APPLICATION FORM

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Application Forms should bear the stamp of the Application Collecting Intermediaries ASBA Application Forms, which do not bear the stamp of the Application Collecting Intermediaries, will be rejected.

SEBI, vide Circular No.CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Application forms in public issues using the stock broker network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e. www.bseindia.com and NSE i.e. www.nseindia.com. With a view to broadbase the reach of Investors by substantially enhancing the points for submission of applications, SEBI vide Circular No.CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Application forms in Public Issue with effect from January 01, 2016. The List of RTA and DPs centres for collecting the application shall be disclosed is available on the websites of BSE i.e. www.bseindia.com and NSE i.e. www.nseindia.com.

APPLICANT'S DEPOSITORY ACCOUNT AND BANK DETAILS

Please note that, providing bank account details, PAN Nos, Client ID and DP ID in the space provided in the application form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

SUBMISSION OF APPLICATION FORM

All Application Forms duly completed shall be submitted to the Application Collecting Intermediaries The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

COMMUNICATIONS

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Application Collecting Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip. Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

DISPOSAL OF APPLICATIONS AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within two working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at NSE-EMERGE where the Equity Shares are proposed to be listed are taken within 6 working days from Issue Closing Date. In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the

Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 6 (Six) days of the Issue Closing Date;
2. The Company will provide adequate funds required for dispatch of Allotment Advice to the Registrar to the Issue.

IMPERSONATION

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who—

a. makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

b. makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

c. otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447."

UNDERTAKINGS BY OUR COMPANY

The Company undertakes the following:

1) That the complaints received in respect of this Issue shall be attended to by us expeditiously and satisfactorily;

2) That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at

the Stock Exchange where the Equity Shares are proposed to be listed within 6 (Six) working days of closure of the Issue;

3) That our Promoter's contribution in full has already been brought in;

4) That the letter of allotment/ unblocking of funds to the non-resident Indians shall be dispatched within specified time;

5) That no further issue of Equity Shares shall be made till the Equity Shares offered through this Prospectus are listed or until the Application monies are refunded on account of non-listing, under subscription etc.

6) The Company shall not have recourse to the Issue proceeds until the approval for trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

7) That if the Company do not proceed with the Issue, the reason thereof shall be given as a public notice to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;

UTILIZATION OF ISSUE PROCEEDS

Our Board certifies that:

1) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act, 2013;

2) Details of all monies utilized out of the Issue shall be disclosed under an appropriate head in our balance sheet indicating the purpose for which such monies have been utilized;

3) Details of all unutilized monies out of the Issue, if any shall be disclosed under the appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested and

4) Our Company shall comply with the requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.

Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

EQUITY SHARES IN DEMATERIALISED FORM WITH NSDL OR CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company has entered into the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

Agreement dated 24th August, 2015 among NSDL, the Company and the Registrar to the Issue;

Agreement dated 15th July, 2015 among CDSL, the Company and the Registrar to the Issue;

The Company's shares bear ISIN no INE239T01016

GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES

This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, 2013 (to the extent notified and in effect), the Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon the notification of the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Applicants should rely on their own examination of the Issuer and the Issue, and should carefully read the Draft Prospectus/Prospectus before investing in the Issue

SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken *inter-alia* through Fixed Price Issues. The purpose of the ―General Information Document for Investing in Public Issues is to provide general guidance to potential Applicants in IPOs, on the processes and procedures governing IPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations. **("SEBI ICDR Regulations").**

Applicants should note that investment in equity and equity related securities involves risk and Applicant should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue; are set out in the Prospectus filed by the Issuer with the Registrar of Companies (**"ROC")**. Applicants should carefully read the entire Prospectus and the Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the Prospectus, the disclosures in the Prospectus shall prevail. The Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the **LM(s)** to the Issue and on the website of Securities and Exchange Board of India **("SEBI")** at www.sebi.gov.in.

For the definitions of capitalized terms and abbreviations used herein Applicants may refer to the section "Glossary and Abbreviations".

SECTION 2: BRIEF INTRODUCTION TO IPOs ON SME EXCHANGE

2.1 INITIAL PUBLIC OFFER (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is *inter-alia* required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations, if applicable. For details of compliance with the eligibility requirements by the Issuer, Applicants may refer to the Prospectus.

The Issuer may also undertake IPO under of chapter XB of the SEBI (ICDR) Regulations, wherein as per,

- Regulation 106M (1): An issuer whose post-issue face value capital does not exceed ten crore rupees shall issue its specified securities in accordance with provisions of this Chapter.
- Regulation 106M (2): An issuer, whose post issue face value capital, is more than ten crore rupees and up to twenty-five crore rupees, may also issue specified securities in accordance with provisions of this Chapter.

The present Issue being made under Regulation 106M (1) of Chapter XB of SEBI (ICDR) Regulation.

2.2 OTHER ELIGIBILITY REQUIREMENTS

In addition to the eligibility requirements specified in paragraphs 2.1, an Issuer proposing to undertake an IPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, the Companies Act, 2013 (the "Companies Act"), The Securities Contracts (Regulation) Rules, 1957 (the "SCRR"), industry-specific regulations, if any, and other applicable laws for the time being in force. Following are the eligibility requirements for making an SME IPO under Regulation 106M (1) of Chapter XB of SEBI (ICDR) Regulation

(a) In accordance with regulation 106(P) of the SEBI (ICDR) Regulations, Issue has to be 100% underwritten and the LM has to underwrite at least 15% of the total issue size.

(b) In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, total number of proposed allottees in the Issue shall be greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date the company becomes liable to repay it, then the Company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under section 73 of the Companies Act, 1956.

(c) In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, Company is not required to file any Offer Document with SEBI nor has SEBI issued any observations on the Offer Document. The Lead Manager shall submit the copy of Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.

(d) In accordance with Regulation 106(V) of the SEBI ICDR Regulations, the LM has to ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares offered in the Issue.

(e) The Issuer shall have a track record of three years.

(f) The Net worth (excluding revaluation reserves) of the Issuer shall be positive as per the latest audited financial results.

(g) The Issuer should have positive cash accruals (earnings before depreciation and tax) from operations for at least 2 financial years.

(h) The Post-issue paid up capital of the Issuer shall be less than ₹25 Crores.

(i) The Issuer shall mandatorily facilitate trading in demat securities.

(j) The Issuer should not have been referred to Board for Industrial and Financial Reconstruction.

(k) No petition for winding up is admitted by a court or a liquidator has not been appointed of competent jurisdiction against the Company.

(l) No material regulatory or disciplinary action should have been taken by any stock exchange or regulatory authority in the past three years against the Issuer.

(m) The Company should have a website.

Issuer shall also comply with all the other requirements as laid down for such an Issue under Chapter X-B of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M) (3) of SEBI (ICDR) Regulations, 2009, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 7, Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to this Issue.

Thus Company is eligible for the Issue in accordance with regulation 106M (1) and other provisions of chapter XB of the SEBI (ICDR) Regulations as the post issue face value capital does not exceed ₹1,000 lacs. Company also complies with the eligibility conditions laid by the SME Platform of NSE for listing of our Equity Shares.

2.3 TYPES OF PUBLIC ISSUES – FIXED PRICE ISSUES AND BOOK BUILT ISSUES

In accordance with the provisions of the SEBI ICDR Regulations, 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 Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the Issue Opening Date, in case of an IPO and at least one Working Day before the Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities. Applicants should refer to the Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

2.4 ISSUE PERIOD

The Issue shall be kept open for a minimum of three Working Days (for all category of Applicants) and not more than ten Working Days. Applicants are advised to refer to the Application Form and Abridged Prospectus or Prospectus for details of the Issue Period. Details of Issue Period are also available on the website of Stock Exchange(s).

2.5 MIGRATION TO MAIN BOARD MIGRATION TO MAIN BOARD

SME Issuer may migrate to the Main Board of SE from the SME Exchange at a later date subject to the following: (a) If

the Paid up Capital of the Company is likely to increase above ₹25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), the Company shall apply to SE for listing of its shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board.

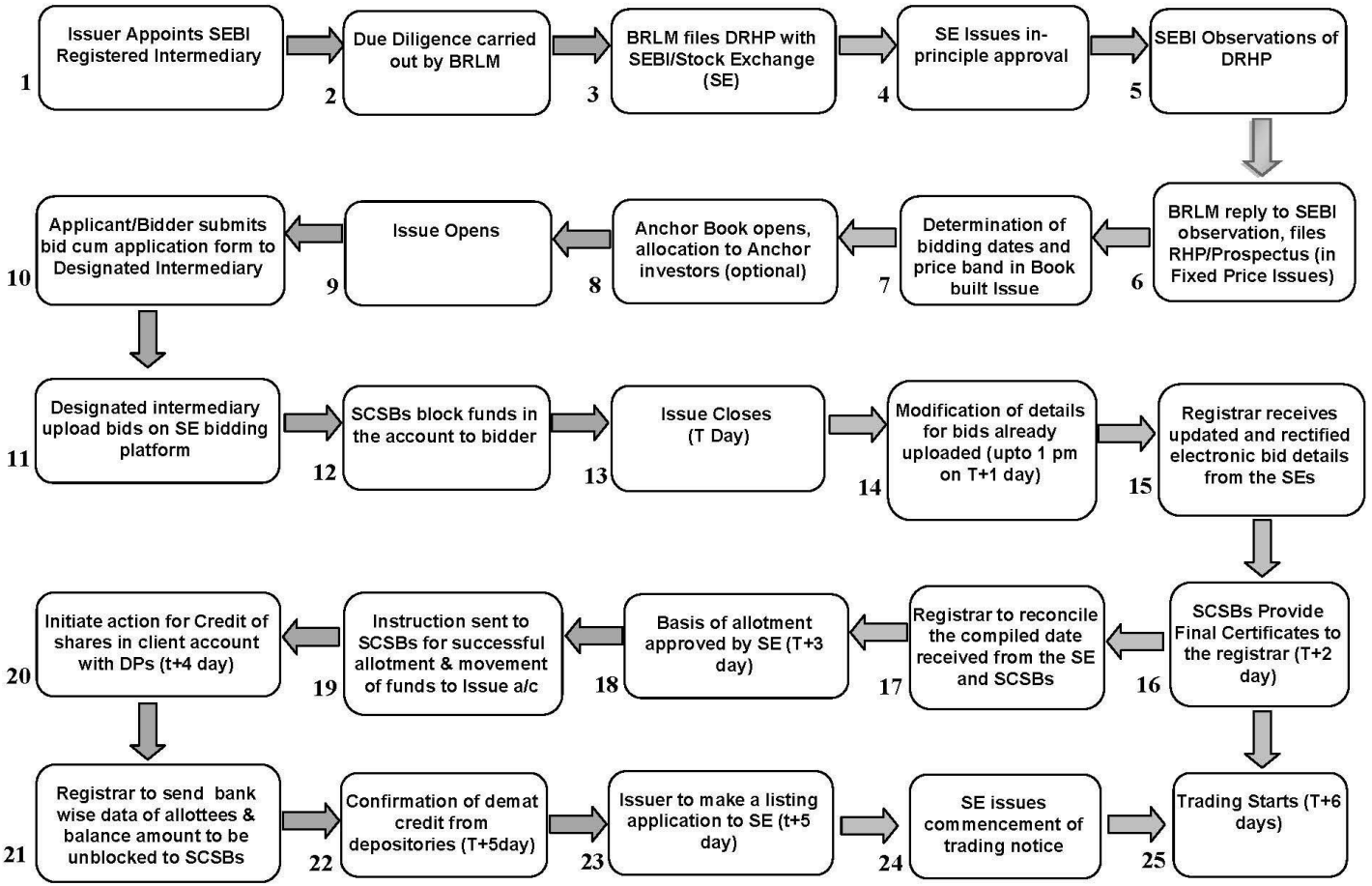
OR

(b) If the Paid up Capital of the company is more than 10 crores but below ₹25 crores, the Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

2.6 FLOWCHART OF TIMELINES

A flow chart of process flow in Fixed Price and Book Built Issues is as follows. Applicants may note that this is not applicable for Fast Track FPOs. In case of Offer other than Book Built Issue (Fixed Price Issue) the process at the below mentioned steps shall be read as:

i. Step 7: Determination of Offer Date and Price
ii. Step 10: Applicant submits Application Form with Designated Branch of SCSB
iii. Step11: SCSB uploads ASBA Application details in Stock Exchange Platform
iv. Step12: Issue period closes
v. Step15: Not Applicable


1
Issuer Appoints SEBI Registered Intermediary
2
Due Diligence carried out by BRLM
3
BRLM files DRHP with SEBI/Stock Exchange (SE)
4
SE Issues in-principle approval
5
SEBI Observations of DRHP
6
BRLM reply to SEBI observation, files RHP/Prospectus (in Fixed Price Issues)
7
Determination of bidding dates and price band in Book built Issue
8
Anchor Book opens, allocation to Anchor investors (optional)
9
Issue Opens
10
Applicant/Bidder submits bid cum application form to Designated Intermediary
11
Designated intermediary upload bids on SE bidding platform
12
SCSBs block funds in the account to bidder
13
Issue Closes (T Day)
14
Modification of details for bids already uploaded (upto 1 pm on T+1 day)
15
Registrar receives updated and rectified electronic bid details from the SEs
16
SCSBs Provide Final Certificates to the registrar (T+2 day)
17
Registrar to reconcile the compiled date received from the SE and SCSBs
18
Basis of allotment approved by SE (T+3 day)
19
Instruction sent to SCSBs for successful allotment & movement of funds to Issue a/c
20
Initiate action for Credit of shares in client account with DPs (t+4 day)
21
Registrar to send bank wise data of allottees & balance amount to be unblocked to SCSBs
22
Confirmation of demat credit from depositories (T+5day)
23
Issuer to make a listing application to SE (t+5 day)
24
SE issues commencement of trading notice
25
Trading Starts (T+6 days)

SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

Each Applicant should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.

Subject to the above, an illustrative list of Applicants is as follows:

1. Indian Nationals resident in India who are not incompetent to contract in single or joint names (not more than three) or in the names of minors as natural/legal guardian;
2. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
3. Companies, Corporate Bodies and Societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
4. Mutual Funds registered with SEBI;
5. Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
6. Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (Subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
7. FPIs other than Category III FDI; VCFs and FVCIs registered with SEBI
8. Limited Liability Partnerships (Lip's) registered in India and authorized to invest in equity shares;
9. State Industrial Development Corporations;
10. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
11. Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
12. Insurance Companies registered with IRDA;
13. Provident Funds and Pension Funds with minimum corpus of ₹2,500 Lacs and who are authorized under their constitution to hold and invest in equity shares;
14. Multilateral and Bilateral Development Financial Institutions;
15. National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
16. Insurance funds set up and managed by army, navy or air force of the Union of India or by Department of Posts, India;
17. Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws

As per the existing regulations, OCBs cannot participate in this Issue.

SECTION 4: APPLYING IN THE ISSUE

Fixed Price Issue:

Applicants should only use the specified Application Form either bearing the stamp of Application Collecting Intermediaries as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the Branches of Collection Banks or Designated Branches of the SCSBs, at the registered office of the Issuer and at the corporate office of LM. For further details regarding availability of Application Forms, Applicants may refer to the Prospectus. Applicants should ensure that they apply in the appropriate category.

The prescribed colour of the Application Form for various categories of Applicants is as follows:

Category	Colour of the Application
Resident Indian, Eligible NRIs applying on a non-repatriation basis	White
NRIs, FVCIs, FPIs, their Sub-Accounts (other than Sub-Accounts which are foreign corporate(s) or foreign individuals applying under the QIB), on a repatriation basis	Blue

Securities Issued in an IPO can only be in dematerialized form in compliance with Section 29 of the Companies Act, 2013. Applicants will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities rematerialized subsequent to allotment.

4.1 INSTRUCTIONS FOR FILING THE APPLICATION FORM (FIXED PRICE ISSUE)

Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the Prospectus and the Application Form are liable to be rejected.
Instructions to fill each field of the Application Form can be found on the reverse side of the Application Form. Specific instructions for filling various fields of the Resident Application Form and Non-Resident Application Form and samples are provided below.

The samples of the Application Form for resident Applicants and the Application Form for non-resident Applicants are reproduced below:

CK

ISSUE PROGRAMME: ISSUE OPENS ON : 30 JUNE, 2016 ISSUE CLOSES ON : 07 JULY, 2016

COMMON APPLICATION FORM | **KKV AGRO POWERS LIMITED - PUBLIC ISSUE - R** | FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS

TO,
THE BOARD OF DIRECTORS
KKV AGRO POWERS LIMITED
Registered office: Vivagaa Building, # 637, Oppanakara Street, Coimbatore, Tamil Nadu, India – 641 001, Tel No. +91 422-2303880 Fax No. +91 422 2303881. Website: www.kkvagropowers.com, E-Mail: smeipo@kkvagropowers.com, CIN: U40108TZ2012PLC018332

FIXED PRICE SME ISSUE

ISIN :INE239T01016

Application Form No.

Date :

BROKER'S / SCSB /DP / RTA STAMP & CODE	SUB-BROKER'S/SUB-AGENT'S STAMPE CODE
SCSB BRANCH STAMP & CODE	**SCSB/BANK BRANCH SERIAL NO.**

1. NAME & CONTACT DETAILS OF SOLE / FIRST APPLICANT

Mr. /Ms./M/s.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST APPLICANT

3. INVESTOR'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

4. APPLICATION DETAILS

No. of Equity Shares of ₹10/- each applied at the Issue Price i.e. at ₹ 320 per share(1)

(In figures) (In words)

ALLOTMENT WILL BE IN DEMAT MODE ONLY (2)

(1) Please note that applications must be made in minimum lot size of 400 shares and further multiples of 400 shares accordingly.

(2) Please note that the equity shares on allotment will be traded only in the dematerialized mode on the SME Platform of NSE.

5. CATEGORY

- ☐ Retail Individual Applicant
- ☐ Non-Institutional Applicant
- ☐ QIB

6. INVESTOR STATUS

- ☐ Individual(s) - IND
- ☐ Hindu Undivided Family* - HUF
- ☐ Bodies Corporate - CO
- ☐ Banks & Financial Institutions - FI
- ☐ Mutual Funds - M F
- ☐ National Investment Fund -NIF
- ☐ Non Resident Indian - NRI (Non-Repatriation basis)
- ☐ Alternative Investment Fund - AIF
- ☐ Insurance Fund - IF
- ☐ Insurance Companies -IC
- ☐ Venture Capital Funds - VCF
- ☐ Others (Please specify) - OTH

* HUF should apply only through Karta (Application by HUF would be treated on par with Individual)

7. PAYMENT DETAILS | **PAYMENT OPTION : FULL PAYMENT**

Amount Blocked (₹ in figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED FORM 2A AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE 'INVESTORS 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 APPLICATION FORM GIVEN OVERLEAF.

8A. SIGNATURE OF SOLE / FIRST APPLICANT	8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)	BROKER / SCSB / RTA STAMP (Acknowledging upload of Application in Stock Exchange system)
Date : _____, 2016	I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue 1) 2) 3)	

TEAR HERE

KKV AGRO POWERS LIMITED - PUBLIC ISSUE - R

Acknowledgement Slip for Broker/SCSB/ DP/RTA

Application Form No.

PAN of Sole / First Applicant

DPID / CLID

Received from Mr./Ms.

Address

Telephone / Mobile E-mail

No. of Equity Shares applied for	
In figures	
In words	
Amount paid (₹ in figures)	
ASBA Bank A/c No.	Drawn on (Name of Bank & Branch)

SCSB Branch Stamp & Signature

TEAR HERE

KKV AGRO POWERS LIMITED PUBLIC ISSUE - R

	In Figure	In Words	Stamp & Signature of SCSB / Collection Banker
No. of Equity Shares			
Amount Blocked (₹)			

ASBA Bank A/c No.

Bank & Branch

Name of Sole / First Applicant

Acknowledgement Slip for Applicant

Application Form No.

PLEASE FILL IN BLOCK LETTERS

TEAR HERE

TEAR HERE

YS HITECH (040) 23073637

ISSUE PROGRAMME: ISSUE OPENS ON : 30 JUNE, 2016 ISSUE CLOSES ON : 07 JULY, 2016

COMMON APPLICATION FORM | KKV AGRO POWERS LIMITED - PUBLIC ISSUE - NR | FOR ELIGIBLE NRIs, FIIs/FVCI, Etc., APPLYING ON A REPATRIATION BASIS

TEAR HERE

To
THE BOARD OF DIRECTORS
KKV AGRO POWERS LIMITED
Registered office: Vivagaa Building, # 637, Oppanakara Street, Coimbatore, Tamil Nadu, India – 641 001, Tel No.: +91 422-2303880 Fax No. +91 422 2303881.
E-Mail: smeipo@kkvagropowers.com, **Website:** www.kkvagropowers.com,
CIN: U40108TZ2012PLC018332

FIXED PRICE SME ISSUE

ISIN :INE239T01016

Application form No.

BROKER'S/SCB/DP/RTA STAMP & CODE	SUB-BROKER'S / SUB-AGENT'S STAMP & CODE
SCSB BRANCH STAMP & CODE	**SCB/BANK BRANCH SERIAL NO.**

1. NAME & CONTACT DETAILS of Sole / First Applicant

Mr./Ms./M/s

Address

Email

Tel.No.(with STD code)/Mobile

2. PAN OF SOLE / FIRST APPLICANT

3. INVESTOR'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

4. APPLICATION DETAILS

No. of Equity Shares of ₹ 10/- each applied at the Issue Price i.e. at ₹ 320/- per share[1]

(In figures) (In words)

ALLOTMENT WILL BE IN DEMAT MODE ONLY[2]

[1] Please note that applications must be made in minimum lot size of 400 shares and further multiples of 400 shares accordingly,

[2] Please note that the equity shares on allotment will be traded only in the dematerialized mode on the SME Platform of NSE.

5. Category

- ☐ Retail Individual Applicant
- ☐ Non-Institutional Applicant
- ☐ QIB

6. Investor Status

- ☐ Non-Resident Indians-NRI (Repatriation basis)
- ☐ Foreign Institutional Investor - FII/ Foreign Portfolio Investor - FPI
- ☐ Foreign Venture Capital Investor - FVCI
- ☐ FII Sub Account Corporate/ Individual - FIISA
- ☐ Others - OTH (please specify)

7. PAYMENT DETAILS | **PAYMENT OPTIONS** : FULL PAYMENT

Amount Blocked (₹ in figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED 2A AND HEREBY AGREE AND CONFIRM THE 'INVESTORS 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 APPLICATION FORM GIVEN OVERLEAF

8A. SIGNATURE OF SOLE/ FIRST APPLICANT	8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS)	SYNDICATE MEMBER / BROKER / SCSB / CDP / RTA STAMP (Acknowledging upload of Application in Stock Exchange system)
Date :	I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue 1) 2) 3)	

PLEASE FILL IN BLOCK LETTERS

TEAR HERE

KKV AGRO POWERS LIMITED - PUBLIC ISSUE - NR

Acknowledgement Slip for Broker/SCSB/ DP/RTA

Application Form No.

DPID / CLID

PAN of Sole / First Applicant

Received from Mr./Ms.

Address

Telephone / Mobile E-mail

No. of Equity Shares applied for	
In figures	
In words	
Amount paid (₹ in figures)	
ASBA Bank A/c No.	Drawn on (Name of Bank & Branch)

SCSB Branch Stamp & Signature

TEAR HERE

KKV AGRO POWERS LIMITED PUBLIC ISSUE - NR

	In Figure	In Words	Stamp & Signature of SCSB / Collection Banker
No. of Equity Shares			
Amount Blocked (₹)			

ASBA Bank A/c No.

Bank & Branch

Name of Sole / First Applicant

Acknowledgement Slip for Applicant

Application Form No.

TEAR HERE

4.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/FIRST APPLICANT

Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

a) Mandatory Fields: Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/mobile number fields are optional. Applicants should note that the contact details mentioned in the Application Form may be used to dispatch communications (including letters notifying the unblocking of the bank accounts of Applicants) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Application Form may be used by the Issuer,

b) The Designated Intermediaries and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.

c) Joint Applications: In the case of Joint Applications, the Applications should be made in the name of the Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Applicant would be required in the Bid cum Application Form/Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders All communications may be addressed to such Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

d) Impersonation: Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who:

- makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447."

e) Nomination Facility to Applicant: Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Applicants should inform their respective DP.

4.1.2 FIELD NUMBER 2: PAN NUMBER OF SOLE FIRST APPLICANT

a) PAN (of the sole/ first Applicant) provided in the Application Form should be exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held as per the Depositories' records.

b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Applications on behalf of the Central or State Government, Applications by officials appointed by the courts and Applications by Applicants residing in Sikkim ("PAN Exempted Applicants"). Consequently, all Applicants, other than the PAN Exempted Applicants, are required to disclose their PAN in the Application Form, irrespective of the Application Amount. A Application Form without PAN, except in case of Exempted Applicants, is liable to be rejected. Applications by the Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

c) The exemption for the PAN Exempted Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN

field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.

d) Application Forms which provide the General Index Register Number instead of PAN may be rejected.

e) Applications by Applicants whose demat accounts have been 'suspended for credit' are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as "Inactive demat accounts" and demographic details are not provided by depositories.

4.1.3 FIELD NUMBER 3: APPLICANTS' DEPOSITORY ACCOUNT DETAILS

a) Applicants should ensure that DP ID and the Client ID are correctly filled in the Application Form. The DP ID and Client ID provided in the Application Form should match with the DP ID and Client ID available in the Depository database, otherwise, the Application Form is liable to be rejected.

b) Applicants should ensure that the beneficiary account provided in the Application Form is active.

c) Applicants should note that on the basis of DP ID and Client ID as provided in the Application Form, the Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for unblocking of ASBA Account or for other correspondence(s) related to an Issue.

d) Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Applicants' sole risk.

4.1.4 FIELD NUMBER 4: APPLICATION DETAILS

a) The Issuer may mention Price as per Draft Prospectus. However, a Prospectus registered with RoC contains one price.

b) Minimum and Maximum Application Size

i. For Retails Individual Applicants

The Application must be for a minimum of 400 equity shares. As the application price payable by the retail individual applicants cannot exceed ₹200000 they can make Application for only minimum Application size i.e for 400 equity shares.

ii. For Other Applicants (Non Institutional Applicants and QIBs):

The Application must be for a minimum of such number of equity shares such that the Application Amount exceeds ₹200000 and in multiples of 400 equity shares thereafter. An application cannot be submitted for more than the Issue Size. However, the maximum application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application. In case of revision of Applications, the Non Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than ₹200000 for being considered for allocation in the Non Institutional Portion. Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of equity shares that can be held by them under prescribed law or regulation or as specified in this Prospectus.

c) Multiple Applications: An applicant should submit only one Application Form. Submission of a second Application Form to either the same or to the Designated Intermediaries and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.

d) Applicants are requested to note the following procedures may be followed by the Registrar to the issue to detect multiple applications:

i. All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds and PFI sub-accounts, applications bearing the same PAN may be treated as multiple applications by an Applicant and may be rejected.

ii. For applications from Mutual Funds and FPI sub-accounts, submitted under the same PAN, as well as Applications on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.

e) The following applications may not be treated as multiple applications:

i. Application by Reserved Categories in their respective reservation portion as well as that made by them in the Net Issue portion in public category.

ii. Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Application clearly indicates the scheme for which the application has been made.

iii. Application by Mutual Funds, and sub-accounts of FPIs (or FPIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs, and DP IDs.

4.1.5 FIELD NUMBER 5: CATEGORY OF APPLICANTS

a) The categories of Applicants identified as per the SEBI ICDR Regulations as amended for the purpose of Application, allocation and allotment in the Issue are RIIs, Individual applicants other than RIIs, and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).

b) An Issuer can make reservation for certain categories of Applicants as permitted under the SEBI ICDR Regulations, as amended. For details of any reservations made in the Issue, Applicants may refer to the Prospectus.

c) The 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. For details pertaining to allocation and Issue specific details in relation to allocation Applicant may refer to the Prospectus.

4.1.6 FIELD NUMBER 6: INVESTOR STATUS

a) Each Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective allotment to it in the Issue is in compliance with the investment restrictions under applicable law.

b) Certain categories of Applicants, such as NRIs, FIIs, FPIs and FVCIs may not be allowed to Apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.

c) Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Application Form and Non-Resident Application Form.

d) Applicants should ensure that their investor status is updated in the Depository records.

4.1.7 FIELD NUMBER 7: PAYMENT DETAILS

a) All Applicants are required to use ASBA facility to block the full Amount (net of any Discount, as applicable) along-with the Application Form. If the Discount is applicable in the Issue, the RIIs should indicate the full Amount in the Application Form and the funds shall be blocked for Amount net of Discount. Only in cases where the Prospectus indicates that part payment may be made, such an option can be exercised by the Applicant.

b) All categories of investors can participate in the Issue only through ASBA mechanism.

c) Application Amount cannot be paid in cash, through money order or through postal order or through stock invest.

4.1.7.1 Payment instructions for Applicants

(a) Applicants may submit the Application Form either in physical mode or online mode to any Designated Intermediaries.

(b) Applicants should specify the Bank Account number in the Application Form. The Application Form submitted by an Applicant and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, may not be accepted.

(c) Applicant should ensure that the Application Form is also signed by the ASBA Account holder(s) if the Applicant is not the ASBA Account holder;

(d) Applicant shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.

(e) From one ASBA Account, a maximum of five Application Forms can be submitted.

(f) Applicants applying through a member of the Syndicate should ensure that the Application Form is submitted to a member of the Syndicate only at the Specified Locations. Applicants should also note that Application Forms submitted to the Syndicate at the Specified Locations may not be accepted by the member of the Syndicate if the SCSB where the ASBA Account, as specified in the Application Form, is maintained has not named at least one branch at that location for the members of the Syndicate to deposit Application Forms (a list of such branches is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries).

(g) Applicants applying through a Registered Broker, RTA or CDP should note that Application Forms submitted to them may not be accepted, if the SCSB where the ASBA Account, as specified in Application Form, is maintained has not named at least one branch at that location for the Registered Brokers, RTA or CDP, as the case may be, to deposit Application Forms.

(h) ASBA Applicant applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.

(i) Upon receipt of Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.

(j) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form may upload the details on the Stock Exchange Platform.

(k) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Applications on the Stock Exchange platform and such Applications are liable to be rejected.

(l) Upon submission of a completed Application Form each Applicant may be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs.

(m) The Application Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Application, as the case may be.

(n) SCSBs applying in the Issue must apply through an Account maintained with any other SCSB; else their Application is liable to be rejected.

4.1.8 Unblocking of ASBA Account

a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted, if any, against each Application, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Application, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected/ non allotment / partial allotment ASBA Application, if any, along with reasons for rejection and details of withdrawn or unsuccessful Application, if any, to enable the SCSBs to unblock the respective bank accounts.

b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful Application to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.

In the event of withdrawal or rejection of the Application Form and for unsuccessful Application, the Registrar to the Issue may give instructions to the SCSB to unblock the Application Amount in the relevant ASBA Account within 6 Working Days of the Issue Closing Date.

4.1.8.1 Discount (if applicable)

a) The Discount is stated in absolute rupee terms.
b) RII, Employees and Retail Individual Shareholders are only eligible for discount. For Discounts offered in the Issue, Applicants may refer to the Prospectus.
c) For the Applicants entitled to the applicable Discount in the Issue the Application Amount less Discount (if applicable) shall be blocked.

4.1.8.2 Additional Instructions for NRIs

The Non-Resident Indians who intend to b l o c k f u n d s in their Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of Application by NRIs applying on a repatriation basis, blocking of funds in their NRO account shall not be accepted.

4.1.9 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS

a) Only the First Applicant is required to sign the Application Form. Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
b) If the ASBA Account is held by a person or persons other than the Applicant, then the Signature of the ASBA Account holder(s) is also required.
c) In relation to the Applications, signature has to be correctly affixed in the authorization/undertaking box in the Application Form, or an authorization has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form.
d) Applicants must note that Application Form without signature of Applicant and /or ASBA Account holder is liable to be rejected.

4.1.10 ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

Applicants should ensure that they receive the acknowledgment duly signed and stamped by the Designated Intermediary, as applicable, for submission of the Application Form.

a) All communications in connection with Applications made in the Issue should be addressed as under:

i. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, the Applicants should contact the Registrar to the Issue.
ii. In case of Applications submitted to the Designated Branches of the SCSBs or Registered Brokers or Registered RTA/DP, the Applicants should contact the relevant Designated Branch of the SCSB or Registered Brokers or Registered RTA/DP, as the case maybe.
iii. Applicant may contact the Company Secretary and Compliance Officer or LM(s) in case of any other complaints in relation to the Issue.

b) The following details (as applicable) should be quoted while making any queries –

i. Full name of the sole or Applicant, Application Form number, Applicants' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on application.
ii. name and address of the Designated Intermediary, where the Application was submitted; or

iii. In case of ASBA Applications, ASBA Account number in which the amount equivalent to the Application Amount was blocked.

For further details, Applicant may refer to the Prospectus and the Application Form.

4.2 INSTRUCTIONS FOR FILING THE REVISION FORM

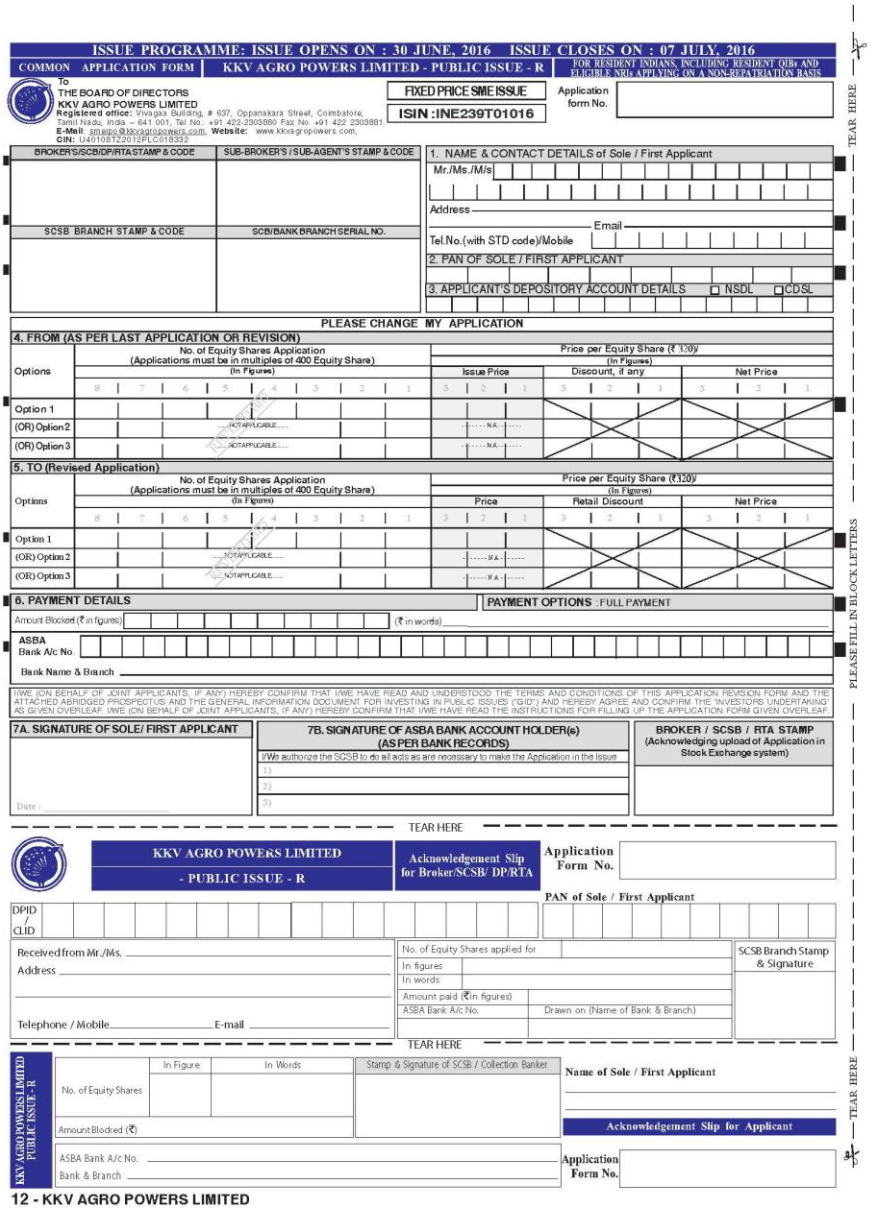
a) During the Issue Period, any Applicant (other than QIBs and NIIs, who can only revise their application upwards) who has registered his or her interest in the Equity Shares at a particular number of shares is free to revise number of shares applied using revision forms available separately.

b) RII may revise their applications till closure of the issue period or withdraw their applications until finalization of allotment.

c) Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form.

d) The Applicant can make this revision any number of times during the Issue Period. However, for any revision(s) in the Application, the Applicants will have to use the services of the same Designated Intermediary through which such Applicant had placed the original Application.

A sample Revision form is reproduced below:



ISSUE PROGRAMME: ISSUE OPENS ON : 30 JUNE, 2016 ISSUE CLOSES ON : 07 JULY, 2016

COMMON APPLICATION FORM | KKV AGRO POWERS LIMITED - PUBLIC ISSUE - R | FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS

To
THE BOARD OF DIRECTORS
KKV AGRO POWERS LIMITED
Registered office: Vivagaa Building, # 637, Oppanakara Street, Coimbatore, Tamil Nadu, India – 641 001, Tel No.: +91 422-2303880 Fax No. +91 422 2303881
E-Mail: smeipo@kkvagropowers.com, Website: www.kkvagropowers.com,
CIN: U40106TZ2012PLC018332

FIXED PRICE SME ISSUE
ISIN :INE239T01016

Application form No.

BROKER'S/SCB/DP/RTA STAMP & CODE | SUB-BROKER'S / SUB-AGENT'S STAMP & CODE
SCSB BRANCH STAMP & CODE | SCB/BANK BRANCH SERIAL NO.

1. NAME & CONTACT DETAILS of Sole / First Applicant
Mr./Ms./M/s
Address
Email
Tel.No.(with STD code)/Mobile
2. PAN OF SOLE / FIRST APPLICANT
3. APPLICANT'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

PLEASE CHANGE MY APPLICATION

4. FROM (AS PER LAST APPLICATION OR REVISION)

Options	No. of Equity Shares Application (Applications must be in multiples of 400 Equity Share) (In Figures)	Price per Equity Share (₹ 120)/ (In Figures) Issue Price	Discount, if any	Net Price
Option 1				
(OR) Option 2	NOT APPLICABLE	NA		
(OR) Option 3	NOT APPLICABLE	NA		

5. TO (Revised Application)

Options	No. of Equity Shares Application (Applications must be in multiples of 400 Equity Share) (In Figures)	Price per Equity Share (₹120)/ (In Figures) Price	Retail Discount	Net Price
Option 1				
(OR) Option 2	NOT APPLICABLE	NA		
(OR) Option 3	NOT APPLICABLE	NA		

6. PAYMENT DETAILS | PAYMENT OPTIONS : FULL PAYMENT
Amount Blocked (₹ in figures) (₹ in words)
ASBA Bank A/c No.
Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION REVISION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ('GID') AND HEREBY AGREE AND CONFIRM THE INVESTORS 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 APPLICATION FORM GIVEN OVERLEAF.

7A. SIGNATURE OF SOLE/ FIRST APPLICANT	7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS)	BROKER / SCSB / RTA STAMP (Acknowledging upload of Application in Stock Exchange system)
Date :	I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue 1) 2) 3)	

TEAR HERE

KKV AGRO POWERS LIMITED - PUBLIC ISSUE - R | Acknowledgement Slip for Broker/SCSB/ DP/RTA | Application Form No.

DPID / CLID | PAN of Sole / First Applicant

Received from Mr./Ms.
Address
Telephone / Mobile E-mail

No. of Equity Shares applied for
In figures
In words
Amount paid (₹ in figures)
ASBA Bank A/c No. | Drawn on (Name of Bank & Branch)

SCSB Branch Stamp & Signature

TEAR HERE

KKV AGRO POWERS LIMITED PUBLIC ISSUE - R

No. of Equity Shares	In Figure	In Words	Stamp & Signature of SCSB / Collection Banker
Amount Blocked (₹)			

ASBA Bank A/c No.
Bank & Branch

Name of Sole / First Applicant

Acknowledgement Slip for Applicant

Application Form No.

TEAR HERE

PLEASE FILL IN BLOCK LETTERS

12 - KKV AGRO POWERS LIMITED

4.2.1 FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST APPLICANT, PAN OF SOLE/FIRST APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE APPLICANT

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.2.2 FIELD 4 & 5: BID OPTIONS REVISION 'FROM' AND 'TO'

a) Apart from mentioning the revised options in the Revision Form, the Applicant must also mention the details of the share applied for given in his or her Application Form or earlier Revision Form.

b) In case of revision of Applications by RIIs, Employees and Retail Individual Shareholders, such Applicants should ensure that the Application Amount, should not exceed ₹200,000/- due to revision and the application may be considered, subject to the eligibility, for allocation under the Non-Institutional Category.

4.2.3FIELD 6: PAYMENT DETAILS

Applicant may Issue instructions to block the revised amount in the ASBA Account, to the Designated Branch through whom such Applicant had placed the original Application to enable the relevant SCSB to block the additional Application Amount, if any.

4.2.4 FIELDS 7: SIGNATURES AND ACKNOWLEDGEMENTS

Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

4.3 SUBMISSION OF REVISION FORM/APPLICATION FORM

Applicants may submit completed application form / Revision Form in the following manner:-

Mode of Application	Submission of Application Form
All Investor Applications	To the Designated Intermediaries

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively

SECTION 5: ISSUE PROCEDURE IN FIXED PRICE ISSUE

5.1 Applicants may note that there is no Bid cum Application Form in a Fixed Price Issue.

As the Issue Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form. Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through Designated Intermediary.

Applicants may submit an Application Form either in physical/ electronic form to Designated Intermediaries or the Designated Branches of the SCSBs authorizing blocking of funds that are available in the bank account specified in the Application Form only ("ASBA Account"). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Issue Opening Date.

In a fixed price Issue, allocation in the net offer to the public category is made as follows: minimum fifty per cent to Retail Individual Investors; and remaining to (i) individual investors other than Retail Individual Investors; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

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5.2 GROUNDS OF REJECTIONS

- Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:
- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Application Form;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than specified for that category of investors;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of 400;
- Category not ticked;
- Multiple Applications as defined in the Prospectus;
- In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Applications accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/pay order;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant‘s identity (DP ID) and the beneficiary‘s account number;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US persons other than in reliance on Regulation S or qualified institutional buyers as defined in Rule 144A under the Securities Act;

- Applications not duly signed by the sole/ first Applicant;
- Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Applications that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Applications or revisions thereof by QIB Applicants, Non-Institutional Applicants where the Application Amount is in excess of ₹2,00,000, received after 3.00 pm on the Issue Closing Date , unless the extended time is permitted by NSE.
- Details of ASBA Account not provided in the Application form

For details of instructions in relation to the Application Form, Applicants may refer to the relevant section the GID.

APPLICANTS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE APPLICATION COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE APPLICATION FORM IS LIABLE TO BE REJECTED.

SECTION 6: ISSUE PROCEDURE IN BOOK BUILT ISSUE

This being Fixed Price Issue, this section is not applicable for this Issue.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

7.1 BASIS OF ALLOTMENT

Allotment will be made in consultation with NSE EMERGE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).

2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).

3. For applications where the proportionate allotment works out to less than 400 equity shares the allotment will be made as follows:

a) Each successful applicant shall be allotted 400 equity shares; and

b) The successful applicants out of the total applicants for that category shall be determined by the drawal of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.

4. If the proportionate allotment to an applicant works out to a number that is not a multiple of 400 equity shares, the number in excess of the multiple of 400 would be rounded off to the higher multiple of 400 if that number is 200 or higher. If that number is lower than 200, it would be rounded off to the lower multiple of 400. All Applicant in such categories would be Allotted Equity Shares arrived at after such rounding off.

5. If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the lower nearest multiple of 400 equity shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the offer specified under the Capital Structure mentioned in this Prospectus.

6. The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for small individual applicants as described below:

(a) A minimum of 50% of the net offer of shares to the Public shall initially be made available for allotment to retail individual investors as the case may be.

(b) The balance net offer of shares to the public shall be made available for allotment to a) individual applicants other than retails individual investors and b) other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.

(c) The unsubscribed portion of the net offer to any one of the categories specified in (a) or (b) shall/may be made available for allocation to applicants in the other category, if so required.

(d) As per Regulation 43 (4) of SEBI (ICDR) Regulations, 2009 as amended, if the retail individual investor category is entitled to more than fifty per cent on proportionate basis, the retail individual investors shall be allocated that higher percentage.

'Retail Individual Investor' means an investor who applies for shares of value of not more than ₹2,00,000/- Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with NSE.

The Executive Director / Managing Director of NSE - the Designated Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2009.

7.2 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

(a) **Designated Date:** On the Designated Date, the SCSBs shall transfer the funds represented by allocation of Equity Shares into the Public Issue Account with the Bankers to the Issue.

(b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Applicants are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the

Applicants who have been Allotted Equity Shares in the Issue.

(c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.

(d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) initiate corporate action for credit of shares to the successful Applicants' Depository Account will be completed within 4 Working Days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Applicant's depository account is completed within one Working Day from the date of Allotment, after the funds are transferred from the Escrow Account to the Public Issue Account on the Designated Date.

SECTION 8: INTEREST AND REFUNDS

8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 6 Working Days of the Issue Closing Date. The Registrar to the Issue may give instructions for credit to Equity Shares the beneficiary account with DPs, and dispatch the Allotment Advice within 6 Working Days of the Issue Closing Date.

8.2 GROUNDS FOR REFUND

8.2.1 NON RECEIPT OF LISTING PERMISSION

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in Prospectus. The Designated Stock Exchange may be as disclosed in the Prospectus with which the Basis of Allotment may be finalised. If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith repay, without interest, all moneys received from the Applicants in pursuance of the Prospectus. If such money is not repaid within eight days after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of eight days, be liable to repay the money, with interest at such rate, as prescribed under Section 73 of the Companies Act, and as disclosed in the Prospectus.

8.2.2 MINIMUM SUBSCRIPTION

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the "stated minimum amount" has not be subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If the Issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriters within sixty days from the date of closure of the Issue, the Issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the Issuer becomes liable to pay the amount, the Issuer shall pay interest prescribed under section 40 of the Companies Act, 2013.

8.2.3 MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be allotted may not be less than 50 failing which the entire application monies may be refunded forthwith.

8.3 MODE OF REFUND

Within 6 Working Days of the Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Application and also for any excess amount blocked on Application.

8.3.1 Mode of making refunds for ASBA Applicants

In case of ASBA Applicants, the Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA applications or in the event of withdrawal or failure of the Issue.

8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at the rate of 15% per annum /or demat credits are not made to Applicants or instructions for unblocking of funds in the ASBA Account are not dispatched within the 4 Working days of the Issue Closing Date. The Issuer may pay interest at 15% per annum for any delay beyond 15 days from the Issue Closing Date, if Allotment is not made.

SECTION 9: GLOSSARY AND ABBREVIATIONS

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.

Term	Description
Allotment/ Allot/ Allotted	The allotment of Equity Shares pursuant to the Issue to successful Applicants
Allottee Allotment	An Applicant to whom the Equity Shares are Allotted
Advice	Note or advice or intimation of Allotment sent to the Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges
Application	An indication to make an offer during the Issue Period by a prospective pursuant to submission of Application Form or during the Anchor Investor Issue Period by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price including all revisions and modifications thereto.
Application Form	The form in terms of which the Applicant should make an application for Allotment in case of issues other than Book Built Issues, includes Fixed Price Issue
Application Collecting Intermediaries	(i) an SCSB, with whom the bank account to be blocked, is maintained (ii) a syndicate member (or sub-syndicate member) (iii) a stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ("broker") (iv) a depository participant ("DP") (whose name is mentioned on the website of the stock exchange as eligible for this activity) (v) a registrar to an issue and share transfer agent ("RTA") (whose name is mentioned on the website of the stock exchange as eligible for this activity)
Application Supported by Blocked Amount/(ASBA)/ASBA	An application, whether physical or electronic, used by Applicants to make an application authorising an SCSB to block the Application Amount in the specified bank account maintained with such SCSB
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Application Amount of the ASBA Applicant
ASBA Application	An Application made by an ASBA Applicant
Application Amount	The value indicated in Application Form and payable by the Applicant upon submission of the Application, less discounts (if applicable).
Banker(s) to the Issue/	The banks which are clearing members and registered with SEBI as Banker to the Issue with whom the Public Issue Account(s) may be opened, and as disclosed in the Prospectus and Application Form of the Issuer
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful Applicants under the Issue
Issue Closing Date	The date after which the SCSBs may not accept any Application for the Issue, which may be notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation Applicants may refer to the Prospectus for the Issue Closing Date
Issue Opening Date	The date on which the SCSBs may start accepting application for the Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants may refer to the Prospectus for the Issue Opening Date

Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants (can submit their application inclusive of any revisions thereof. The Issuer may consider closing the Issue Period for QIBs one working day prior to the Issue Closing Date in accordance with the SEBI ICDR Regulations. Applicants may refer to the Prospectus for the Issue Period
Lead Manager(s)/Lead Manager/ LM	The Lead Manager to the Issue as disclosed in the Draft Prospectus/ Prospectus and the Application Form of the Issuer.
Business Day	Monday to Saturday (except 2nd and 4th Saturday of a month and public holidays)
CAN/Confirmation of Allotment Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which may be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Companies Act	The Companies Act, 1956 and The Companies Act, 2013 (to the extant notified)
DP	Depository Participant
DP ID	Depository Participant‘s Identification Number
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited
Demographic Details	Details of the Applicants including the Applicant‘s address, name of the Applicant‘s father/husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which may collect the Application Forms used by the ASBA Applicants applying through the ASBA and a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries
Designated Date	The date on which the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account, as appropriate, after the Prospectus is filed with the RoC, following which the board of directors may Allot Equity Shares to successful Applicants in the Issue
Designated Stock Exchange	The designated stock exchange as disclosed in the Draft Prospectus/Prospectus of the Issuer
Discount	Discount to the Issue Price that may be provided to Applicants in accordance with the SEBI ICDR Regulations.
Draft Prospectus	The draft prospectus filed with the Designated stock exchange in case of Fixed Price Issues and which may mention a price or a Price Band
Employees	Employees of an Issuer as defined under SEBI ICDR Regulations and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the promoter and immediate relatives of the promoter. For further details /Applicant may refer to the Prospectus

Term	Description
Equity Shares	Equity shares of the Issuer
FCNR Account	Foreign Currency Non-Resident Account
Applicant	The Applicant whose name appears first in the Application Form or Revision Form
FPI(s)	Foreign Portfolio Investor
Fixed Price Issue/ Fixed Price Process/Fixed Price Method	The Fixed Price process as provided under SEBI ICDR Regulations, in terms of which the Issue is being made
FPO	Further public offering
Foreign Venture Capital Investors or FVCIs	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000
IPO	Initial public offering
Issue	Public Issue of Equity Shares of the Issuer including the Offer for Sale if applicable
Issuer/ Company	The Issuer proposing the initial public offering/further public offering as applicable
Issue Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted in terms of the Prospectus. The Issue Price may be decided by the Issuer in consultation with the Lead Manager(s)
Maximum RII Allottees	The maximum number of RIIs who can be allotted the minimum Application Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Application Lot.
MICR	Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the RHP/Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
Net Issue	The Issue less Market Maker Reservation Portion
Non-Institutional Investors or NIIs	All Applicants, including sub accounts of FPIs registered with SEBI which are foreign corporate or foreign individuals, that are not QIBs or RIBs and who have applied for Equity Shares for an amount of more than ₹2,00,000 (but not including NRIs other than Eligible NRIs)
Non Institutional Category	The portion of the Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the Prospectus and the Application Form
Non Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FPIs registered with SEBI and FVCIs registered with SEBI
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
Other Investors	Investors other than Retail Individual Investors in a Fixed Price Issue. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Prospectus	The prospectus to be filed with the RoC in accordance with Section 60 of the Companies Act 1956 read with section 26 of Companies Act 2013, containing the Issue Price, the size of the Issue and certain other information
Public Issue Account	An account opened with the Banker to the Issue to receive monies from the ASBA Accounts on the Designated Date

Term	Description
QIB Category Qualified Institutional Buyers or QIBs	The portion of the Issue being such number of Equity Shares to be Allotted to QIBs on a proportionate basis As defined under SEBI ICDR Regulations.
RTGS	Real Time Gross Settlement
Refunds through electronic transfer of funds	Refunds through ASBA
Registrar to the Issue/RTI	The Registrar to the Issue as disclosed in the Draft Prospectus / Prospectus and Application Form
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion
Reservation Portion	The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI ICDR Regulations
Retail Individual Investors / RIIs	Investors who applies or for a value of not more than ₹2,00,000.
Retail Individual Shareholders	Shareholders of a listed Issuer who applies for a value of not more than ₹ 2,00,000.
Retail Category	The portion of the Issue being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum lot, subject to availability in RII category and the remaining shares to be allotted on proportionate basis.
Revision Form	The form used by the Applicant in an issue to modify the quantity of Equity Shares in an Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies
SEBI	The Securities and Exchange Board of India constituted under the Securities an Exchange Board of India Act, 1992
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
Self Certified Syndicate Bank(s) or SCSB(s)	A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
SME IPO	Initial public offering as chapter XB of SEBI (ICDR) Regulation
SME Issuer	The Company making the Issue under chapter XB of SEBI (ICDR) Regulation
Stock Exchanges/SE	The stock exchanges as disclosed in the Draft Prospectus/ Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed
Specified Locations	Refer to definition of Broker Centers
Underwriters	Lead Manager (s)
Underwriting Agreement	Underwriting Agreement entered between Company and Underwriters
Working Day	Any day, other than 2nd and 4th Saturday of the month, Sundays or public holidays, on which commercial banks in Mumbai are open for business, provided however, with reference to (a) announcement of Price Band; and (b) Issue Period, "Working Days" shall mean all days, excluding Saturdays and public holidays, which are working days for commercial banks in India.

VIII. MAIN PROVISIONS OF ARTICLES OF ASSOCIATION OF OUR COMPANY

CAPITAL INCREASE AND REDUCTION OF CAPITAL

Title of Article	Article Number and contents
Capital	3 The Authorized Share Capital of the Company shall be as per Clause V of the Memorandum of Association of the Company with rights to alter the same in whatever way as deemed fit by the Company. The company may increase or decrease the Authorized Share Capital in accordance with Company's regulations and legislative provisions for the time being in that behalf.
Increase of capital by the Company and how carried into effect.	4 The Company in General Meeting may, from time to time, increase the capital by the creation of new shares, such increase to be of such aggregate amount and to be divided into shares of such respective amount as the resolution shall prescribe. Subject to the provisions of the Act, any share of the original or increased capital shall be issued upon such terms and conditions and with such rights and privileges annexed thereto, as the General Meeting resolving upon the creation thereof, shall direct, and if no direction is given, as the Directors shall determine; and in particular, such shares may be issued with a preferential or qualified right to dividends, and in the distribution of assets of the Company, and with a right of voting at general meeting of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of these Articles, the Directors shall comply with the provisions of Section 64 of the Act. Subject to the applicable provisions of the Act and/or any other applicable Rules, Guidelines or any other statutory provisions, the Company acting through its Board of Directors shall have power to issue equity share capital with differential rights as to dividend, voting and/or otherwise in such manner and on such terms and conditions as may be prescribed by the resolution authorising such issue.
New Capital same as existing capital	5 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 as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise. Provided however that all the equity shares issued by the Company to the Members shall be of the same class and shall be alike ranking *pari -passu* in all respect and the holders thereof shall be entitled to identical rights and privileges including, without limitation, to identical rights and privileges with respect to dividend, voting rights, payment of calls, liens, transfers, transmission, forfeiture, and the distribution of assets in the event of voluntary or involuntary liquidation, dissolution or winding up of the Company on a *pro rata* basis. Provided that the above provision does not prohibit the Company from issuing redeemable preference shares. Subject to the provisions of Section 63, the Company in general meeting may also, from time to time, by special resolution capitalize the undistributed profits standing to the credit of the Company's Free Reserves or Securities Premium Account and to apply the same in paying up new equity shares in the share capital of the Company and to appropriate the same as capital and not as income and allot and distribute as fully paid-up bonus shares to and amongst the persons registered in the Register of Members as the holders of equity shares of the Company on such date and in such proportion as may be decided by the Board of Directors.
Redeemable Preference Shares	6 Subject to the provisions of Section 55 of the Act, the Company shall have the power to issue Preference Shares which are, or at option of the company, liable to be redeemed and the resolution authorising such issue shall prescribe the manner, terms and conditions of redemption.

Provisions to apply on issue of Redeemable Preference Shares	7 On the issue of Redeemable Preference Shares under the provisions of Article 6 hereof the following provisions shall take effect: - a. no such shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of the redemption; b. no such shares shall be redeemed unless they are fully paid; c. The premium, if any, payable on redemption must have been provided for out of the profits of the Company or the Company's Securities Premium Account before the shares are redeemed; d. 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 reserve fund, to be called the "Capital Redemption Reserve Account", a sum equal to the nominal amount of the shares 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 paid-up share capital of the Company; 8 subject to the provisions of Section 55 of the Act, the redemption of preference share hereunder may be effected in accordance with the terms and conditions of their issue and the absence of any specific terms and conditions in that behalf in such manner as the Directors determine; 9 Whenever the Company shall redeem any redeemable preference shares, the Company shall, within one month thereafter, give notice thereof to the Registrar of Companies as required by Section 64 of the Act
Reduction of Capital	10 Subject to the provisions of Section 78, 80 and 100 to 105 of the Companies Act, 1956 read with Section 66 of the Act, as may be applicable from time to time, the Company may, from time to time by Special Resolution, reduce its share capital and any capital Redemption Reserve Account or Securities Premium Account in any manner for the time being authorized by law and in particular capital may be paid off on the footing that it may called upon again or otherwise. This Article is not to derogate from any power the Company would have if it were omitted.
Sub-division and consolidation of shares	11 Subject to the provisions of Section 61 of the Act, the Company, in General Meeting, may, from time to time, sub-divide or consolidate its shares, or any of them or any part of them, and the resolution whereby any share is sub-divided, may determine that as between the holder of the shares resulting from such sub-division, one or more of such shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the others or other. Subject to aforesaid, the Company, in General Meeting, may also cancel shares, which 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.
Modification of rights	12 a. Whenever the capital, by reason of the issue of Preference Shares or otherwise, is divided into different classes of shares, all or any of the rights and privileges attached to each class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of Sections 106 and 107 of the Companies Act, 1956 read with Section 48 of the Act, be varied, modified, commuted, affected or abrogated, or dealt with by Agreement between the Company and any person purporting to contract on behalf of that class provided such agreement is ratified in writing by holders of at least three fourths in nominal value of the issued shares of the class or is confirmed by a Special Resolution passed at a separate General Meeting of the holders of shares of that class. This Article is not to derogate from any power the Company would have if this Article were omitted. b. The rights conferred upon the holders of the shares of any class issued with preferred or

	other rights shall not unless otherwise the shares of that class be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.
Prohibition on issue of Shares at discount	13 Except as provided in Section 54 of the Act, the Company shall not issue shares at a discount.
Shares with differential voting rights	14 a. Subject to the provisions of the Act, the Company may issue shares with differential voting right attached to them, upon such terms and conditions and with such rights and privileges attached thereto, as the Board may deem fit. b. The Company may issue different classes of shares with different types of voting rights attached to it and also the Company may issue shares without any voting rights attached to it subject to the provisions of the Act.
Listing	15 All clauses of securities of the Company may be listed on any of the Stock Exchanges in India subject to compliance of necessary rules and regulations

SHARES AND CERTIFICATES

Title of Article	Article Number and contents
Register and Index of Members	16 The Company shall cause to be kept a Register and Index of Members in accordance with Sections 88 the Act. The Company shall be entitled to keep in any State or country outside India a Foreign Register of Members resident in that State or Country. a. 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 the manner provided in Section 89 of the Act; b. A person who holds 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; c. Whenever there is a change in the beneficial interest in a 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; d. Where any declaration referred hereinabove is made to the Company, the Company shall make a note of such declaration in the Register of Members and file within the time prescribed from the date of receipt of the declaration a return in the prescribed form with the Registrar with regard to such declaration.
Shares to be numbered progressively and no share to be sub-divided	17 Save and except for dematerialisation of Share or Shares held in fungible form with a Depository, the shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.

Further Issue of share capital	18 a) Subject to the provisions of the Act, where at any time after the formation of the Company, it is proposed to increase the subscribed capital of the Company by allotment of further shares, whether out of unissued share capital or out of increased share capital, then such further shares shall be offered to the persons who at the date of the offer, are holders of the equity shares of the Company, in proportion, as nearly as circumstances admit, to the capital paid up on these shares at the date. Such offer shall be made by a notice specifying the number of shares offered and limiting a time not being less than fifteen days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined. Such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to them in favour of any other person and the notice referred to above hereof shall contain this statement of this right, provided that the directors may decline, without assigning any reason to allot any shares to any person in whose favour any member may renounce the shares offered to him. After the expiry of the time specified in the notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner as it thinks most advantageous to the shareholders and the Company. b) Notwithstanding anything contained in the preceding sub-clause, the Company may by a special resolution offer further shares to any person whether or not include the persons who at the date of the offer, are the holders of the equity shares of the Company. c) Notwithstanding anything contained in sub-clause (a) above, but subject, however, to Section 62(3) of the Act, the Company may increase its subscribed capital on exercise of an option attached to the debentures issued or loans raised by the Company to convert such debenture or loans into shares, or to subscribe for shares in the Company, provided however that the terms of the debentures or loans include a term providing for such option is in conformity with the rules, if any made by the Central Government in this behalf and has also been approved by a special resolution in the General Meeting.
Power also to Company to issue shares in General Meeting	19 In addition to and without derogating from the powers for that purpose conferred on the Board under Articles 15 and 16 the Company in General Meeting may, subject to the provisions of Section 62 of the Act, determine that any shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such person (whether members or not) in such proportion and on such terms and conditions and either subject to compliance with the provisions of Sections 52 and 54 of the Act) at a premium or at par or at a discount as such General Meeting shall determine and with full power to give any person (whether a member or not) the option to call for or be allotted shares of any class of the Company either (subject to compliance with the provisions of Section 52 and 54 of the Act) at a premium or at par or at a discount, such option being exercisable at such times and for such consideration as may be directed by such General Meeting or the Company in General Meeting may make any other provision whatsoever for the issue, allotment, or disposal of any shares.
Deposit and call etc. to be a debt payable immediately	20 The money (if any) which the Board shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, 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 name of the holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.
Liability of Members	21 Every Member, or his heirs, executors, or administrator shall pay to the Company the portion of the capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts, at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require or fix for the payment thereof.

Share Certificates	22 a)Every Member or allottee of shares shall be entitled, with or without payment, within two months after the allotment of shares and within one month after the application for the registration of transfer of any shares, the certificate in respect of such shares, unless the conditions of issue of shares otherwise provide. Every Member or allottee of shares shall be entitled, with or without payment, to receive one share certificate specifying the name of the person in whose favour it is issued, the shares to which it relates and the amount paid-up 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 its fractional coupons of requisite value, save in case of issues against letters of acceptance or of renunciation or in case of issue of bonus shares. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose, and two Directors or their Attorneys and the Secretary or other person shall sign the share certificate, provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing or whole time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person to whom it has been issued, indicating the date of issue, provided however that no share certificate(s) shall be issued for shares held by a Depository. (b) Any two or more joint allottees of a share shall, for the purpose of this Article, be treated as a single Member, and the certificate of any share, which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupee 50. The Company shall comply with the provisions of Section 56 of the Act. A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp, provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose. c) The Company shall not be bound to register more than 3 persons as the joint holders of any share except in the case of executors or trustees of a deceased member and in respect of a share held jointly by several persons, the Company shall not issue more than one certificate and the delivery of a certificate for a share to any one of several joint holders shall be sufficient delivery to all such holders. d) Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person to whom it has been issued indicating the date of issue. e) The provisions stated above shall not be applicable to dematerialized Shares and shares held in fungible form with a Depository.

Renewal of Share Certificate	23 a) No certificate of any share or shares shall be issued either in exchange for those which are sub-divided or consolidated or in replacement of those which are defaced, torn or old, decrepit, worn out, or where the cages on the reverse for recording transfers have been duly utilized unless the certificate in lieu of which it is issued is surrendered to the Company. b) When a new share certificate has been issued in pursuance of clause (a) of this Article, it shall state on the face of it and the stub or counterfoil to the effect that it is "issued in lieu of share certificate No. And sub-divided/ replaced/on consolidation of shares". c) If a share certificate is lost or destroyed, a new certificate in lieu thereof shall be issued only with the prior consent of the Board or its duly constituted Committee and on such terms, if any, as to evidence and indemnity as to the payment of out-of- pocket expenses incurred by the Company in investigating evidence, as the Board thinks fit. d) When a new share certificate has been issued in pursuance of clause (c) of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is "duplicate issued in lieu of share certificate No." The word "Duplicate" shall be stamped or punched in bold letters across the face of the share certificate. e) Where a new share certificate has been issued in pursuance of clause (a) or clause (c) of this Article, particulars of every such share certificate shall be entered in a Register of Renewal and Duplicate Certificates indicating against the name 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 by suitable cross reference in the "Remarks" Column. f) All blank forms to be issued for issue of share certificates shall be printed and the printing shall be done only on the authority of a resolution of the Board. The blank forms 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 of such other person as the Board may appoint for the purpose and the Secretary or the other person aforesaid shall be responsible for rendering an account of these forms to the Board. g) The Managing Director of the Company for the time being or, if the Company has no Managing Director, every Director of the Company shall be responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue of share certificates except the blank forms of shares certificates referred to in Sub-Article (f). h) Any two or more joint allottees of a share shall, for the purpose of this Article, be treated as a single Member, and the certificate of any share, which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupee 50. The Company shall comply with the provisions of Section 56 of the Act. A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp, provided that the Director Company shall be responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue of share certificates except the blank forms of shares certificates referred to in Sub-Article (f).
First named holder is deemed to be sole owner	24 If any share stand in the names of two or more persons, the person first named in the Register of Members shall as regards receipt of dividends or bonus or service of notices, subject to the provisions of Article 22 and all or any other matter connected with Company, except voting at meetings, and the transfer of the shares, be deemed the sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such share and for all incidents thereof according to the Company's regulations.
Company not bound to recognize any	25 Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share or whose name appears as

interest in share other than that of registered holder	the beneficial owner of shares in the records of the Depository, as the absolute owner thereof and accordingly shall not (except as ordered by a Court of competent jurisdiction or as by law required) be bound to recognise any benami trust or equity or equitable, contingent or other claim or interest in such share on the part of any other person whether or not it shall have express or implied notice thereof.
Funds of the Company not to be applied in the purchase of shares of the company	26 None of the funds of the Company shall be applied in the purchase of any shares of the Company, and it shall not give any financial assistance for or in connection with the purchase or subscription of any shares in the Company or in its holding Company save as provided by Section 67 of the Act.
Dematerialisation of Securities	27 Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its existing securities, rematerialize its securities held in the Depositiories and / or offer its fresh securities in a dematerialized from pursuant to the Depositories Act, and the rules framed thereunder, if any.
Option to receive securities certificates or hold Securities with Depository	28 Every person subscribing to or holding securities of the Company shall have the option to receive security certificates or to hold the securities with a Depository. 29 If a person opts to hold his security with a Depository, the company shall intimate such Depository the details of allotment of the security , and on receipt of the information, the Depository enter in its records the name of the allottees as the Beneficial Owner of the security.
Securities in Depositories	30 All securities held by a Depository shall be dematerialised and be in fungible form. Nothing contained in Sections 88, 89 and 186 of the Act, shall apply to a Depository in respect of the securities held by it on behalf of the Beneficial Owner.
Rights of Depositories and Beneficial Owners	31 Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be registered owner for the purpose of effecting transfer of ownership of security on behalf of the Beneficial Owner. 32 Save as otherwise provided in (a) above, the Depository, as the registered owner of the securities, shall not have any voting rights or any other rights in respect of the security held by it. 33 Every person holding securities of the Company and whose name is entered as the Beneficial Owner in the records of the Depository shall be deemed to be a member of the Company. The Beneficial Owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities, which are held by a Depository.
Beneficial Owner deemed as absolute owner	34 Except as ordered by a Court of competent jurisdiction or as required by law, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share or where the name appears as the Beneficial Owner of shares in the records of the Depository as the absolute owner thereof and accordingly shall not be bound to recognise any benami trust or equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto in accordance with these Articles, on the part of any other person whether or not it has express or implied notice thereof, but the Board shall be entitled at their sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.
Depository to furnish information	35 Every Depository shall furnish to the Company information about the transfer of securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the bye-laws and the Company in that behalf.

Cancellation of certificates upon surrender by a person	36 Upon receipt of certificate of securities on surrender by a person who has entered into an agreement with the Depository through a Participant, the Company shall cancel such certificate and substitute in its records the name of Depository as the registered owner in respect of the said securities and shall also inform the Depository accordingly.
Option to opt out in respect of any security	37 If a Beneficial Owner seeks to opt out of a Depository in respect of any security, the Beneficial Owner shall inform the Depository accordingly. 38 The Depository shall, on receipt of information as above, make appropriate entries in its records and subsequently inform the Company. 39 The Company shall within thirty (30) days of the receipt of the intimation from the Depository and on fulfillment of such conditions and payment of such fees as may be specified by the regulations, issue the certificate of securities to the Beneficial Owner or the transferee as the case may be.
Service of Documents	40 Notwithstanding anything in the Act, or these Articles to the contrary, where securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.
Provisions of Articles to apply to shares held in Depository	41 Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in Depository so far as they apply to shares in physical form subject to the provisions of the Depository Act.
Allotment of Securities dealt with in a Depository	42 Notwithstanding anything in the Act, or these Articles where securities are dealt with by a Depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such securities.
Distinctive number of securities held in a Depository	43 The shares in the capital shall be numbered progressively according to their several denominations provided, however, that the provision relating to progressive numbering shall not apply to the shares of the Company which are dematerialised or may be dematerialised in future or issued in future in dematerialised form. Every forfeited or surrendered share held in material form shall continue to bear the number by which the same was originally distinguished.
Register and Index of Beneficial Owners	44 The Company shall cause to keep a Register and index of Members and a Register and index of Debenture holders and a Register and index of other Security holders in accordance with Section 88 of the Act and the Depositories Act, with details of shares and debentures held in material/physical and dematerialized form in any media as may be permitted by law including in any form of electronic media. The Register and Index of Beneficial Owners maintained by a Depository under Section 11 of the Depositories Act, 1996 shall be deemed to be Register and Index of Members and Register and Index of Debenture holders and Register and Index of other Security holders, as the case may be, for the purpose of the Act. The Company shall have the power to keep in any state or country outside India a Foreign Register of Members resident in that state or country.
Register of Members	45 The Company shall keep a Register of Transfers and shall have recorded therein fairly and distinctly particulars of every transfer or transmission of any share held in material form.

UNDERWRITING AND BROKERAGE

Title of Article	Article Number and contents
Commission may be paid	46 Subject to the provisions of Section 40(6) of the Act, the Company may, at any time, pay a commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any securities in the Company, or procuring, or agreeing to procure subscriptions (whether absolute or conditional) for any securities in the Company, but so that the commission shall not exceed, in the case of shares, five per cent of the price at which the shares are issued and in the case of debentures and other securities, two and a half per cent of the price at which the debentures are issued, or such higher rate or rates as may be permissible under any statutory provision for the time being in force. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid securities or partly in one way and partly in the other.
Brokerage on issue of Shares or Debentures	47 The Company may pay a reasonable sum for brokerage

CALLS

Title of Article	Article Number and contents
Directors may make calls	48 The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board (and not by resolution by circulation) make such call as it thinks fit upon the Members in respect of all moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the person or persons and at all times and places appointed by the Board. A call may be made payable by installments. 49 Whenever any calls for further share capital are made on shares, such calls shall be made on a uniform basis on all shares falling under the same class. For the purposes of this Article shares of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class.
Notice of Calls	50 Twenty Eight days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to who such call shall be paid.
Call to date from resolution	51 A call shall be deemed to have been made at the time when the resolution authorising such call was passed at a meeting of the Board and may be made payable by the Members whose names appears on the Register of Members on such date or at the discretion of the Board on such subsequent date as may be fixed by the Board.
Call may be revoked or postponed	52 A call may be revoked or postponed at the discretion of the Board.
Liability of joint holders	53 The joint-holder of a share shall be jointly and severally liable to pay all calls in respect thereof.
Directors may extend time	54 The Board may, from time to time at its discretion, extend the time fixed for the payment of any call, and may extend such time as to all or any of the Members who from residence at a distance or other cause, the Board may, deem fairly entitled to such extension but no Member shall be entitled to such extension save as a matter of grace and favour.
Calls to carry interest	55 If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the

	same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such Member.
Proof on trial of suit for money due to shares	56 On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered appears entered on the Register of Members as the holder, at or subsequently to the date at which the money is sought to be recovered is alleged to have become due on the share in respect of which such money is sought to be recovered; that the resolution making the call is duly recorded in the Minute Book, and that notice of such call was duly given to the Member or his representatives issued in pursuance of these Articles, and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that quorum of Directors was present at the Board at which any call was made, nor that the meeting at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.
Partial payment not to preclude forfeiture	57 Neither the receipt by the Company of a portion of any money which shall from time to time be due from any Member to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.
Payment in anticipation of calls may carry interest	a) The Board may, if it thinks fit, agree to and receive from any Member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the moneys so paid in advance or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made, the Board may pay or allow interest, at such rate as the Member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time the amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing. Provided that moneys paid in advance of calls on any shares may carry interest but shall not confer a right to dividend or participate in profits.
Voting rights in respect of calls in advance	b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable.
Provisions to apply to Debentures	58 The provisions of these articles shall *mutatis mutandis* apply to the calls on debentures or other securities of the Company.

LIEN

Title of Article	Article Number and contents
Company's Lien on shares / debentures	59 The Company shall have a first and paramount lien upon all the shares and/or debentures (other than fully paid-up shares and/or debentures) registered in the name of each Member and/or Debenture holder (whether held singly or jointly with others) in respect of all monies, whether presently payable or not and shall extend to all dividends, interest rights and bonuses from time to time declared in respect of such shares and/or debentures. Unless otherwise agreed the registration of transfer of shares and/or debentures shall operate as a waiver of Company's lien, if any, on such shares and/or debentures.

	60 The Directors may at any time declare any share and/or debenture wholly or in part exempt from the provisions of this Article. Notwithstanding anything contained hereinabove, Company shall have lien on fully paid shares or debentures and such lien shall extend only in respect of payment of excess dividend/interest or any sums owing to the Company by a member/debenture holder.
As to enforcing lien by sale	61 For the purpose of enforcing such lien, the Board may sell the shares/debentures subject thereto in such manner as they shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such share and/or debentures and may authorize one of their member or appoint any officer or Agent to execute a transfer thereof on behalf of and in the name of such member/debenture holder. No sale shall be made until such period, as may be stipulated by the Board from time to time, and until notice in writing of the intention to sell shall have been served on such member and/or debenture holder or his legal representatives and default shall have been made by him or them in payment, fulfillment, or discharge of such debts, liabilities or engagements for fourteen days after such notice.
Application of proceeds of sale	62 The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable 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 the persons entitled to the shares and/or debentures at the date of the sale.
Outsiders lien not to affect Company's lien	63 The Company shall be entitled to treat the registered holder of any share or debenture as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or by statute required) be bound to recognize equitable or other claim to, or interest in, such shares or debentures on the part of any other person. The Company's lien shall prevail notwithstanding that it has received notice of any such claims.

FORFEITURE OF SHARES

Title of Article	Article Number and contents
If money payable on shares not paid notice to be given to Members	64 If any Member fails to pay any call or installment of a call on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board may at any time thereafter, during such time as the call or installment remains unpaid, give notice to him requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.
Form of notice	65 The notice shall name a day (not being less than fourteen days from the date of the notice) and a place or places on and at which such call or installment and such interest thereon at such rate as the Directors shall determine from the day on which such call or installment ought to have been paid and expenses as aforesaid are to be paid. The notice shall also state that, in the event of the non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or installment is payable, will be liable to be forfeited.
In default of payment, shares to be forfeited	66 If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter before payment of all calls or installments, interest and expenses due in respect thereof, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share not actually paid before the forfeiture.
Notice of forfeiture to a Member	67 When any share shall have been so forfeited, notice of the forfeiture shall be given to the Member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members but no forfeiture shall be in any manner invalidated by any commission or neglect to give such notice or to make any such entry as aforesaid.
Forfeited Share to be property of the Company and may be sold etc.	68 Any share so forfeited shall be deemed to be the property of the Company and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board shall think fit.
Members still liable to pay calls owing at the time of forfeiture and interest	69 Any member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment at such rate as the Board may determine and the Board may enforce the payment thereof, if it thinks fit.
Effect of forfeiture	70 The forfeiture of a share shall involve extinction, at the time of the forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.
Evidence of forfeiture	71 A declaration in writing that the declarant is a Director or Secretary of the Company and that a share in the Company has been duly forfeited in accordance with these Articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares or debentures.
Validity of sale under Articles 61 and 68	72 Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the shares sold and may cause the purchaser's name to be entered in the Register of Members in respect of the shares sold, and the Purchaser shall not be bound to see to the

	regularity of the proceedings, or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.
Cancellation of share certificate and debenture Certificate in respect of forfeited shares and debentures	73 Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of relative 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. Where any shares under the powers in that behalf herein contained are sold by the Board of Directors and the certificate in respect thereof has not been delivered to the Company by the former holder of such shares, the Board of Directors may issue a new certificate for such shares distinguishing it in such manner as it may think fit from the certificate not so delivered.
Power to annual forfeiture	74 The Board may, at any time before any share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof, upon such conditions as it think fit.
Joint-holders	75 Where two or more persons are registered as the holders of any share, they shall be deemed (so far as the Company is concerned) to hold the same as joint holders with benefits of survivorship subject to the following and other provisions contained in these Articles:- a. The Company shall be entitled to decline to register more than three persons as the holders of any share. b. The joint-holders shall be liable severally as well as jointly for and in respect of all calls or installments and other payments which ought to be made in respect of the share. c. On the death of any one or more of such joint- holders, the survivor or survivors shall be the only person or persons recognised by the Company as having any title to the share but the directors may require such evidence of death as may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person.
Receipts	d. Any one of such joint-holders may give effectual receipts of any dividends or other moneys payable in respect of such share.
Delivery of Certificate and giving of notice to first named holder	e. Only the person whose name stands first in the Register of Members as one of the joint-holders shall be entitled to delivery of the certificates relating to the share or to receive notices. In the case of shares held in a dematerialised or fungible form every beneficial owner in the records of the Depository shall be entitled to receive notices.
Votes of Joint-holders	76 Any one of two or more joint-holders may vote at any meeting either personally or by an agent duly authorised under a power of attorney or by proxy in respect of a share as if he were solely entitled thereto and if more than one of such persons be present, that person whose name stands first or higher (as the case may be) on the Register in respect of such share shall alone be entitled to vote. Provided always that a person present at any meeting personally shall be entitled to vote in preference to a person present by an agent, duly authorised under power of attorney or by proxy although the name of such person present by an agent or proxy stands first or higher in the Register. Several executors of a deceased member in whose (deceased member's) name any share stands shall for the purposes of this sub clause be deemed joint-holders.

TRANSFER AND TRANSMISSION OF SHARES

Title of Article	Article Number and contents
Register of Transfers	77 The Company shall keep a "Register of Transfer" and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any share in the material form.
Form of Transfer	78 A Common Form of Transfer shall be used. The instrument of transfer shall be in writing and all the provisions of Section 56 of the Act, and or any statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and their restrictions thereof.
Execution and Registration of transfer etc	79 The Instrument of transfer duly stamped and executed by the Transferor and the Transferee shall be delivered to the Company in accordance with the provisions of the Act. The Instrument of Transfer shall be accompanied by such evidence, as the Board may require, proving the title of Transferor and his right to transfer the shares and every registered Instrument of Transfer shall remain in the custody of the Company until destroyed by order of the Board. The Transferor shall be deemed to be the holder of such shares until the name of the Transferee shall have been entered in the Register of Members in respect thereof. Before the registration of a transfer, the certificate or certificates of the shares must be delivered to the Company.
Closure of Register of Members or Debenture holders or Other Securities Holders	80 The Board shall have power on giving not less than seven days' previous notice by advertisement in some newspaper circulating in the district in which the office of the Company is situate to close the Transfer Books, the Register of Members or Register of Debenture-holders or Register of other Securities holders at such time or times and for such period or periods, not exceeding in the aggregate forty-five days in each year, and thirty days at one time.
Director's power to refuse to register a transfer	81 Subject to the provisions of Section 58 of the Act, the Board may, at its own absolute and uncontrolled discretion and without assigning any reason, decline to register or acknowledge any transfer of shares (whether fully paid or not and notwithstanding that the proposed Transferee be already a member), but in such case it shall, within one month from the date on which the instrument of transfer was lodged with the Company, send to the Transferee and the Transferor notice of the refusal to register such transfer provided that the registration of a transfer shall not be refused on the ground that the Transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except a lien on shares.
Notice of application when to be given	82 Where, in the case of partly paid share, an application for registration is made by the transferor, the company shall give notice of the application to the Transferee in accordance with the provisions of Section 56 of the Act.
Death of one or more joint-holders of shares	83 In the case of the death of any one or more of the persons named in the Register of Members as the joint holders of any share, the survivor or survivors shall be the only persons recognised by the Company as having any title to or interest in such share, but nothing herein contained shall be taken to release the estate of a deceased joint-holder from an liability on shares held by him jointly with any other person.
Title to shares of deceased holders	84 In absence of a nomination recorded in accordance with Section 72 of the Act, which shall, in any event, have precedent, the executors or administrators of holders of a Succession Certificate or the legal representatives of a deceased member (not being one or two or more joint-holders) shall be the only persons recognised by the Company as

	having any title to the shares registered in the name of such Member and the Company shall not be bound to recognise such executors or administrators or holders of a Succession Certificate or the legal representatives unless such executors or administrators or legal representatives shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be, from a duly constituted court in the Union of India; provided that in any case where the Board in its absolute discretion thinks fit, the Board may dispense with production of Probate or Letters of Administration or Succession Certificate, upon such terms as to indemnify or otherwise as the Board in its absolute discretion may think necessary and under Article 86 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.
Restriction of transfer	85 No share shall in any circumstances be transferred to any minor, insolvent or person of unsound mind.
Transmission Clause	86 Subject to the provisions of the Act and Articles 84 and 85, any person becoming entitled to share in consequence of the death, lunacy, bankruptcy, insolvency of any Member or by any lawful means other than by a transfer in accordance with these Articles may, with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of such title as the Board thinks sufficient, either be registered himself as the holder of the share or elect to have some person nominated by him and approved by the Board registered as such holder; provided nevertheless, that if such person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an Instrument of Transfer in accordance with the provisions herein contained, and until he does so, he shall not be freed from any liability in respect of the shares. This clause is hereinafter referred to as the "transmission clause". 87 A person entitled to a share by transmission shall, subject to the right of the Directors to retain such dividends or money as hereinafter provided, be entitled to receive, and may give a discharge for, any dividends or other moneys payable in respect of the share. 88 There shall be no fee paid to the Company, in respect of the transfer or transmission of any number of shares, registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document.
The Company is not liable for disregard of notice prohibiting registration of transfer	89 The Company shall incur no liability or responsibility whatsoever in consequence of its 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 or in the said shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice, or referred thereto, in any book of the Company, and the Company shall not be bound to be required to regard or attend to give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company, but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit. 90 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 the case of a transfer of shares presented for registration.

Right of successors	91 A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividend and other advantages to which he would be entitled if he were the registered holder of the shares, except that he shall not, before being registered as a Member in respect of the shares, be entitled to exercise any right conferred by membership in relation to meetings of the Company provided that the directors shall, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the shares and if the notice is not complied with within ninety days, the directors may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the shares until the requirements of the notice have been complied with.

Title of Article	Article Number and contents
NOMINATION	92 Every shareholder or debenture holder of the Company, may at anytime, nominate, in the prescribed manner, a person to whom his shares in, or debentures of the Company shall vest in the event of his or her death. A member may revoke or vary his or her nomination, at any time, by notifying the company to that effect. 93 Where the shares in, or debentures of 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 or debentures of the Company as the case may be, shall vest in the event of death of all the joint holders. 94 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 or debentures of the Company, where a nomination made in the prescribed manner purports to confer on any person the right to vest the shares in or debentures of the Company, the nominee shall, on the death of the shareholder or debenture holder or, as the case may be, on the death of the joint holders, become entitled to all the rights in such shares or debentures or, as the case may be, all the joint holders, in relation to such shares or debentures, to the exclusion of all other persons, unless the nomination is varied, cancelled in the prescribed manner. 95 Where the nominee is a minor, it shall be lawful for the holder of the shares or debentures, to make the nomination to appoint, in the prescribed manner, any person to become entitled to shares in or debentures of the Company, in the event of his death, during the minority.

Title of Article	Article Number and contents
TRANSMISSION OF SECURITIES BY NOMINEE	96 A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either – a. to be registered himself as holder of the share or debenture, as the case may be; or b. to make such transfer of the share or debenture, as the case may be, as the deceased shareholder or debenture holder, could have made; c. if the nominee elects to be registered as holder of the share or debenture, himself, as the case may be, 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 or debenture holder as the case may be; d. 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 or debenture except that he shall not, before being registered as a member in respect of his share or debenture, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company. Provided further that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share or debenture, 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 or debenture, until the requirements of the notice have been complied with.
BUY BACK OF SHARES	97 Subject to the provisions of section68 of the Act, the Company is hereby authorized to buy-back the Company's shares or other specified securities out of its free reserves or its securities premium account or from the proceeds of any shares or other specified securities; Provided that no buy-back of any kind of shares or other specified securities shall be made out of the proceeds of an earlier issue of the same kind of shares or the same kind of other specified securities.

BORROWING POWERS

Title of Article	Article Number and contents
Borrowing Powers	105. Subject to the provisions of Sections 73, 179 and 180 of the Act, the Board may, from time to time at its discretion by a resolution passed at a meeting of the Board, accept deposit from members either in advance of calls or otherwise and generally raise or borrow or secure the repayment of any sum or sums of money for the purposes of the Company. Provided, however, where the moneys to be borrowed together with the moneys already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of the business) exceed the aggregate of the paid up capital of the Company and its free reserves (not being reserves set apart for any specific purpose) the Board shall not borrow such moneys without the consent of the Company in General Meeting. Subject to the provisions of the Act and of these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board, receive deposits from its members, directors or their relatives and receive loans from its members, either in advance of call or otherwise, and generally raise or borrow money either in India or abroad by way of loans, overdrafts, cash credit or by issue of bonds denominated in various currencies, debentures or debenture stock with or without any option attached to it (perpetual or otherwise), commercial paper or in any other manner, from any bank, financial institution, company, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed. 106. Subject to the provisions of these Articles hereof, the payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Special Resolution shall prescribe including by the issue of debentures or debenture-stock of the Company, charged upon all or any part of the property of the Company (both present and future), including its uncalled capital for the time being and debentures, debenture-stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.
Terms of issue of Debentures	107. Any debentures, debentures stock or other securities may be issued at a premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares and attending (but not voting) at General Meetings, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in general meeting accorded by a Special Resolution.
Register of mortgages, etc. to be kept	108. 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 and shall cause the requirements of Section 71, 77 to 80 (both inclusive), 82, 84 and 85of the Act in that behalf to be duly complied with.

Register and Index of Debenture holders	109. 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. The Company shall have the power to keep in any state or country outside India a branch Register of Debenture-holders resident in that State or country.

VOTE OF MEMBERS

Member in arrears not to vote	134. No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands or upon a poll in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has, and has exercised, any right of lien.
Number of votes to which member entitled	135. Subject to the provisions of these Articles and without prejudice to any special privileges or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the Company, every Member, not disqualified by the Article 124, shall be entitled to be present and to speak and vote at such Meeting and on a show of hands, every Member present in person shall have one vote and upon a poll the voting right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company. Provided, however, if any preference shareholder be present at any Meeting of the Company, save as provided in Section 47(2) of the Act, he shall have a right to vote only on resolutions placed before the Meeting which directly affect the rights attached to his preference shares.
Casting of votes by a Member entitled to more than one vote	136. 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.
Vote of Member of unsound mind and minor	137. A Member of unsound mind or and 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 in respect of any shares registered in his name and any such committee or guardian may, on poll, vote by proxy. If any Member be a minor, the vote in respect of his share or shares shall be by his guardian, or any one of his guardians, if more than one, to be selected in case of dispute by the Chairman of the Meeting.
Representation of body corporate	138. A) (i) A body corporate (whether a Company within the meaning of the Act or not) may, if it is a member or creditor of the Company (including a holder of debentures or other security holder) having a right to vote, may in pursuance of Sections 113 of the Act, authorize such person as it thinks fit by a resolution of its Board of Directors or other governing body to act as its representative at any meeting of the Company or of any class of Members of the Company or at any meeting of the creditors of the Company or debenture holders of the Company. (ii) A person authorized by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise if it were an individual member, creditor, or holder of debentures of the Company. The production of a copy of the resolution aforesaid certified by a Director of such body corporate before the commencement of the meeting shall be accepted by the Company as sufficient evidence of the validity of the said representative appointment and his right to vote thereof.

	(B) (i)The President of India or the Governor of a State, if he is a member of the Company, may appoint such person as he thinks fit to act as his representative at any meeting of the Company or at any meeting of any class of members of the Company. (ii) A person appointed to act as aforesaid shall, for the purpose of this Act, be deemed to be a member of the Company and shall be entitled to exercise the same rights and powers (including the right to Vote by proxy) as the President or as case may be, the Governor could exercise as a member of the Company.
Votes of joint member	139. If there be joint registered holders of any shares, any one of such persons may vote at any meeting or may appoint another person (whether a Member or not) as his proxy in respect of such shares, as if he were solely entitled thereto but the proxy so appointed shall not have any right to speak at the Meeting, and if more than one of such joint-holders be present at any Meeting, that one of the said persons so present whose name stands higher on the Register shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint-holders shall entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose names shares stand shall, for the purpose of these Articles, be deemed joint-holders thereof.
Voting in person or by proxy	140. Subject to the provisions of these Articles, votes may be given either personally or by proxy. A body corporate being a Member may vote either by a proxy or by a representative duly authorised in accordance with Section 113 of the Act and such representative shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise if it were an individual Member.
Votes in respect of shares of deceased and insolvent Member	141. Any person entitled under Articles 84 and 86 to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that forty-eight hours at least before the time of holding the Meeting or adjourned Meeting, as the case may be, at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnity (if any) as the Directors may require or the Directors shall have previously admitted his right to vote at such Meeting in respect thereof.
Appointment of proxy	142. Every proxy (whether a Member or not) shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a corporation under the common seal of such corporation, or be signed by an officer or any attorney duly authorised by it, and any Committee or guardian may appoint such proxy. The proxy so appointed shall not have any right to speak at the Meeting.
Proxy either for specified meeting or for a period	143. An instrument of proxy may appoint a proxy either for the purpose of a particular Meeting specified in the instrument and any adjournment thereof or it may appoint for the purpose of every Meeting of the Company or of every Meeting to be held before a date specified in the instrument and every adjournment of any such Meeting.
Votes by members present or by proxy	144. A member present by proxy shall be entitled to vote only on a poll. However where such Member is a body corporate present by a proxy who is not himself a Member in which case such proxy shall also be eligible to vote on show of hands as if he were a Member.
Deposit of instrument of appointment	145. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or authority, shall be deposited at the office not later 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 or proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution.
Form of proxy	146. Every instrument of proxy whether for a specified Meeting or otherwise shall as nearly as circumstances will admit, be in any of the forms set out in the Rules made under section 105 of the Act.
Validity of votes given by proxy notwithstanding death of member	147. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the proxy or of any authority or of any power of attorney under which such proxy was signed or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the commencement of the meeting or adjourned meeting at which the proxy is used.
Time for objection to vote	148. No objection shall be made to the validity of any vote, except at any Meeting or poll at which such vote shall be tendered and every vote, whether given personally or by proxy, not disallowed at such Meeting or poll shall be deemed valid for all purposes of such Meeting or poll whatsoever.
Chairman of the meeting to be the Judge of the validity of every vote	149. The Chairman of any Meeting shall be the sole judge of the validity of every vote tendered at such Meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll. The decision of the Chairman shall be final, binding and conclusive.

DIRECTORS

Title of Article	Article Number and contents
Number of Directors	158 a) Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors shall not be less than three and not be more than fifteen.
Certain persons not to be Directors.	b) No body corporate, association or firm shall be appointed a Director and only an individual shall be so appointed. As provided by Section 164 of the Act, certain persons mentioned therein shall not be capable of being appointed Directors of the Company, unless the Central Government, by Notification, removes the disqualification for some of the persons mentioned therein. The above named Directors of the Company shall hold the office as per the provisions contained in these articles and as per the provisions of the Act.
Provision to appoint ex-officio Directors	159. Whenever the Company/ directors enter into a contract with any Government, Central, State or Local, any bank or financial institution or any person or persons (hereinafter referred to as the "appointer") 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 appointer 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 by rotation 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 appointer entitled to appoint or nominate them and the appointer 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 whatsoever. The Directors appointed or nominated under this Article shall be entitled to exercise and enjoy all or any of the rights and privileges exercised and enjoyed by the Directors of the Company including payment of remuneration and travelling expenses to such Director or Directors as may be agreed by the Company with the appointer.
Appointment of Alternate Directors	160. The Board may appoint an Alternate Director to act for a Director (hereinafter called "the Original Director") during his absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office 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 the India. If the term of office of the original Director is determined before he so returns to that State, any provisions in the Act or in these Articles for the automatic reappointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.
Directors power to add to the Board	161. a) Subject to the provisions of Section 161 of the Act, the Board shall have power, at any time and from time to time, to appoint any other qualified person to be an Additional Director or Nominee Director, but so that the total number of Directors shall not, at any time, exceed the maximum strength fixed for the Board under the Article 148. Any such additional Director shall hold office only upto the next Annual General Meeting. b) Subject to the provisions of Sections 161 and 164 of the Act, the Board shall have power, at any time and from time to time, to appoint any other qualified person to be a Director to fill a casual vacancy. Any person so appointed shall hold office only upto the date up to which the Director in whose place he is appointed would have held office if it had not been vacated by him.
Qualification of Directors	162. A Director shall not be required to hold any equity shares to qualify him to act as a Director of the Company.
Remuneration of Directors	163. a) Subject to the provisions of Sections 196 and 197 of the Act, a Managing Director or Directors, who is in the whole-time employment of the Company, may be paid remuneration either by way of monthly payment or at specified percentage of the net profits of the Company or partly by one way and partly by the other. b) Subject to the provisions of the Act, a Director who is neither in the whole time employment nor a Managing Director may be paid remuneration either: i) by way of monthly, quarterly or annual payment with the approval of the Central Government; or ii) by way of Commission if the Company by a special resolution authorized such payment.
Fees payable to a Director for attending a meeting	164. The fees payable to a Director for attending a meeting of the Board or committee/s thereof shall be such sum as may be decided by the Board from time to time, subject to such limit as may be prescribed in that behalf, from time to time, by the Central Government under or pursuant to the Act.
Special remuneration of director performing extra service	165. If any Director is called upon to perform extra services or special exertion or efforts (which expression shall include work done by a Director as a member of any Committee/s formed by the Directors), the Board may arrange with such Director, for such special remuneration, for such extra services or special exertion or efforts either by a fixed sum or otherwise as may be determined by the Board and the said remuneration may be either in addition to or in substitution of his remuneration elsewhere specified in the Articles.

Traveling expenses incurred by Director not a bonafide resident or by Director going out on Company's business	166. The Board may allow and pay to any Director, who travels for the purpose of attending and returning from meetings of the Board of Directors or any Committee/s thereof or General Meetings, or in connection with the business of the Company, his travelling and hotel and other expenses incurred by him in consequence or for the purpose of his attendance, and in connection with the business of the Company in addition to his fees for attending such meetings as above specified and other remuneration payable to him. Provided that if so desired by the Corporation appointing a Corporation Director, the Company may instead reimburse the Corporation appointing such Director any sums that may be paid by it to that Director in respect of his attendance at the meeting of the Board.
Directors may act notwithstanding any vacancy	167. The continuing Directors may act, notwithstanding any vacancy in their body, but if and so long as their number is reduced below the quorum fixed by the Act. The continuing Directors, not being less than two, may act for the purpose of increasing the number of Directors to that number, or of summoning a General Meeting but for no other purpose.
When the office of Director may become vacant	168. The office of a director shall become vacant in case- a. he incurs any of the disqualifications specified in section 164; b. he absents himself from all the meetings of the Board of Directors held during a period of twelve months with or without seeking of absence of the Board c. he acts in contravention of the provisions of section 184 relating to entering into contracts or arrangements in which he is directly or indirectly interested d. he fails to disclose his interest in any contract or arrangement in which he is directly or indirectly interested, in contravention of the provisions of section 184 e. he becomes disqualified by an order of a court or the Tribunal f. he is convicted by a court of any offence, whether involving moral turpitude or otherwise and sentenced in respect thereof to Imprisonment for not less than six months: Provided that the office shall be vacated by the director even if he has filed an appeal against the order of such court; g. he is removed in pursuance of the provisions of this Act h. he, having been appointed a director by virtue of his holding any office or other employment in the holding, subsidiary or associate company, ceases to hold such office or other employment in that company.
Director may contract with Company	169. A Director or his relative, firm in which such Director or relative is a partner, or any other partner in such firm or a private company of which the Director is a member or Director, may enter into any contract with the Company for the sale, purchase or supply of any goods, materials, property or services or for underwriting the subscription of any shares in or debentures or other securities of the Company, provided that the sanction of the Board and the previous approval of the shareholders, if and as may be required, shall be obtained in accordance with Section 188 of the Act.

Disclosure of interest	170. A Director of the Company who is in any way, whether directly or indirectly, concerned or interested in a contract or arrangement or proposed contract or arrangement entered into or to be entered into by or on behalf of the Company, shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in Section 184 of the Act; Provided that it shall not be necessary for Director to disclose his concern or interest in any contract or arrangement entered into or to be entered into between two companies where any of the Directors of the Company or two or more of them together holds or hold not more than two per cent of the paid-up share capital in any such other company.
General notice of interest	171. A General notice given to the Board by the Director, to the effect that he is a director or member of a specified body corporate or is a member of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may, after the date of the notice, be entered into with that body corporate or firm, shall be deemed to be a sufficient disclosure of concern or interest in relation to any contract or arrangement so made. Any such general notice shall expire at the end of the financial year in which it is given but may be renewed for a further period of one financial year at a time by a fresh notice given at the first meeting of the Board in every financial year. No such General notice and no renewal thereof shall be of effect unless, either it is given at a meeting of the Board or the Director concerned takes reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.
Interested Directors not to participate or vote in Board's proceedings	172. No Director shall, as a Director, take any part in the discussion of, or vote on any contract or arrangement entered into or to be entered into by or on behalf of the Company, if he is in any way, whether directly or indirectly, concerned or interested in such contract or arrangement, nor shall his presence be counted for the purpose of forming a quorum at the time of any such discussion or vote, and if he does vote, his vote shall be void, provided however that nothing herein contained shall apply to: a. any contract of indemnity against any loss which Directors, or any one or more of them, may suffer by reason of becoming or being a surety or sureties for the Company. b. any contract or arrangement entered into or to be entered into with a Public Company or a Private Company which is a subsidiary of Public Company in which the interest of the Director consist solely in his being: i. a director of such company, and ii. the holder of not more than shares of such number or value therein as is requisite to qualify him for appointment as a Director thereof, he having been nominated as such director by the Company iii. in his being a member holding not more than 2% of its paid-up share capital. This article is subject to the provisions of section 184(2) of the Act

Register of Contracts in which Directors are interested	173. The Company shall keep a Register in accordance with Section 189 and shall, within the time specified in Section 189, enter therein such of the particulars as may be relevant having regard to the application thereto of Sections184 and 188 of the Act as the case may be. The Register aforesaid shall also specify, in relation to each Director and KMP of the Company, the names of the bodies corporate and firms of which notice has been given by him under Article 162. The Register shall be kept at the office of the Company and shall be open to inspection at such office, and extracts may be taken there from and copies thereof may be required by any member of the Company to the same extent, in the same manner, and on payment of the same fee as in the case of the Register of Members of the Company and the provisions of Section 189(3) of the Act shall apply accordingly.
Directors may be Directors of Companies promoted by the Company	174. A Director may be or become a Director of any company promoted by the Company, or in which it may be interested as a vendor, shareholder, or otherwise and no such Director shall be accountable for any benefit received as director or shareholder of such company except in so far Section 188 or Section 197 of the Act may be applicable.
Retirement and rotation of Directors	175. 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 a multiple of three, the number nearest to one-third shall retire from Office of Directors. The Independent Directors, if any, shall not be subject to retirement under this clause and shall not be taken into account in determining the rotation of retirement or the number of Directors to retire.
Ascertainment of directors retiring by rotation and filling of vacancies	176. Subject to provisions of the Act, the Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between persons who became Directors on the same day, those who are to retire, shall in default of and subject to any agreement among themselves, be determined by lot.
Eligibility for Re-election	177. A retiring Director shall be eligible for re-election 178. Subject to Section 149 of the Act, the Company, at the General Meeting at which a Director retires in the manner aforesaid, may fill up the vacated office by electing a person thereto.

Provisions in default of appointment	179. (a) If the place of the retiring Director is not so filled up and the Meeting has not expressly resolved not to fill the vacancy, the Meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, till the next succeeding day which is not a public holiday, at the same time and place (b) If at the adjourned Meeting also, the place of the retiring Director is not filled up and that Meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been reappointed at the adjourned Meeting unless : i. at the Meeting or at the previous Meeting, resolution for the re-appointment of such Director has been put to the Meeting and lost; ii. the retiring Director has, by notice in writing addressed to the Company or its Board, expressed his unwillingness to be so appointed; iii. he is not qualified or is disqualified for appointment iv. a resolution, whether special or ordinary, is required for the appointment or re-appointment by virtue of any provisions of the Act, or v. the provisions of Section 164 of the Act are applicable to the case
Company may increase or reduce the number of Directors	180. Subject to Section 149 of the Act, the Company may, by Ordinary Resolution from time to time, increase or reduce the number of Directors within the limits fixed in that behalf by these Articles, and may alter their qualifications and the Company may (subject to the provisions of Section 164 of the Act) remove any Director before the expiration of his period of office and appoint another qualified person in his place. The person so appointed should hold office during such time as the Director in whose place he is appointed would have held the same if he had not been removed.

Notice of candidature and consent	181. a. No person not being a retiring Director, shall be eligible for appointment to the office of Director at any General Meeting unless he or some other Member intending to propose him has, not less than fourteen days before the Meeting, left at the 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. b. The Company shall inform its members of the candidature of a person for the office of Director or the intention of member to propose such person as a candidate for that office, by serving individual notices on the members not less than seven days before the meeting: Provided that it shall not be necessary for the Company to serve individual notices upon the members as aforesaid if the Company advertises such candidature or intention not less than seven days before the meeting in at least two newspapers circulating in the place where the registered office of the Company is located, of which one is published in the English language and the other in the regional language of that place. C. Every person (other than a Director retiring by rotation or otherwise or a person who has left at the office of the Company a notice under Section 160 of the Act signifying his candidature for the office of a Director) proposed as candidate for the office of a Director shall sign and file with the Company the consent in writing to act as a Director, if appointed. d. A person, other than a Director re-appointed after retirement by rotation or immediately on the expiry of his term of office or an Additional or Alternate Director, or a person filling a casual vacancy in the office of a Director under Section 161 of the Act, appointed as a Director or re-appointed as an Additional or Alternate Director, immediately on the expiry of his term of office, shall not act as a Director of the Company, unless he has within thirty days of his appointment signed and filed with the Registrar his consent in writing to act as such Director.
Register of Directors etc. and notification of change to registrars	182. The Company shall keep at its office a Register containing the particulars of its Directors, Manager, Secretary and other persons mentioned in Section 170 of the Act, and shall otherwise comply with the provisions of the said Section in all respects.
Disclosure by Directors of appointment to any other body corporate	183. a. Every Director of the Company shall, at the first Board Meeting held after that change to any of the above offices to any other body corporate, disclose to the company the particulars relating to his office in the other body corporate which are required to be specified under Section184 of the Act. b. Every Director shall give notice to the Company of such matters relating to him as may be necessary for the purpose of enabling the Company to comply with the provisions of that Section.
Restriction on Management	184. No Director or Managing Director shall not exercise the power to: a. make calls on shareholders in respect of money unpaid on the shares in the Company, b. issue debentures, And except to the extent mentioned in the resolution passed at the Board meeting under Section 179 of the Act, shall also not exercise the power to: c. borrow moneys d. invest the funds of the company; and e. grant loans or give guarantee or provide security in respect of loans

Certain persons only to be appointed Managing / Wholetime Directors	185. The Company shall not appoint or employ, or continue the appointment or employment of a personas its Managing or Whole-time Director who - a. is an undercharged insolvent, or has at any time been adjudged as insolvent. b. suspends, or has at any time suspended, payment to his creditors, or makes, or has at any time made, a composition with them, or c. is or has at any time been convicted by a Court of an offence involving moral turpitude 186. Subject to the provisions of Section 152 of the Act, 1 Managing Director shall not, while he continues to hold that office, be subject to retirement by rotation and if he ceases to hold the office of Director, he shall *ipso facto* and immediately cease to be a Managing Director.

DIVIDENDS

Title of Article	Article Number and contents
Division of profits and dividends in proportion to amount paid up	212. The profits of the Company, subject to any special rights relating thereof created or authorized to be created by these Articles and subject to the provisions of these Articles, shall be divisible among the members in proportion to the amount of capital paid up or credited as paid up and to the period during the year for which the capital is paid-up on the shares held by them respectively.
The Company in General Meeting may declare a dividend	213. The Company in general Meeting may declare dividends to be paid to Members according to their respective rights, but no dividends shall exceed the amount recommended by the Board, but the Company in General Meeting may declare a smaller dividend.
Dividends only to be paid out of profits	214. No dividend shall be declared or paid otherwise by the Company for any financial year out of profits for the year arrived at after providing for depreciation in accordance with the provisions of Section 123 of the Act except after the transfer to the reserves of the Company of such percentage of its profits for the year as the Board may deem appropriate or out of the profits of the Company for any previous financial year or years arrived at after providing for depreciation in accordance with these provisions and remaining undistributed or out of both provided that: a. If the Company has not provided for depreciation for any previous financial year or years, it shall, before declaring or paying a dividend for any financial year, provide for such depreciation out of the profits of the financial year or out of the profits of any other previous financial year or years; b. If the Company has incurred any loss in any previous financial year or years, the amount of loss or any amount which is equal to the amount provided for depreciation for that year or those years whichever is less, shall be set off against the profits of the Company for the years for which the dividend is provided to be declared or paid or against the profits of the Company for any previous financial year or years arrived at in both cases after providing for depreciation in accordance with the provisions of Section 123 of the Act or against both.
Interim dividend	215. Subject to the Section 123(3) of the Act, the Board may, from time to time, pay to the Members such interim dividend as in its judgment the position of the Company justifies.

Capital paid up in advance at interest not to earn dividend	216. Where Capital is paid in advance of calls, such capital may carry interest but shall not in respect thereof confer a right to dividend or participate in profits.
Dividends in proportion to amount paid –up	217. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date, such share shall rank for dividend accordingly. 218. The Board may retain dividends payable upon shares in respect of which any person is, under Article 87, entitled to become a Member, or which any person under that Article is entitled to transfer, until such person shall become a Member, in respect of such shares or share duly transfer the same.
Dividend, etc. to joint-holders	219. Any one of several persons who are registered as the joint-holder of any share may give effectual receipts for all dividends or bonus and payments on account of dividends or bonus or other moneys payable in respect of such shares
No Member to receive Dividend while indebted to the Company and Company's rights of reimbursement thereof	220. No Member shall be entitled to receive payment of any interest or dividend in respect of his share or shares, whilst any money 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 Board may deduct from the interest or dividend payable to any Member all sums of money so due from him to the Company.
Transfer of shares must be registered	221. A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer. Provided, however, that where any instrument of transfer of shares has been delivered to the Company for registration and the transfer of such shares has not been registered, the company shall : a. transfer the dividend in relation to such shares to the special account referred to in Section 124 unless the company is authorized by the registered holder of such shares in writing to pay such dividend to the transferee specified in such instrument of transfer, and b. Keep in abeyance in relation to such shares any offer of rights shares under clause (a) of sub-section (1) of Section 62 and any issue of fully paid up bonus shares in pursuance of Section 63.
Unclaimed dividend	222. Any dividend which has not been claimed or the warrant in respect whereof has not been encashed within the period prescribed under Section 124 of the Act, shall be deposited in a special account as provided for in the said section 124 of the Act and the whole of the amount envisaged in sub-section (2) of section 124 of the Act remaining unpaid or unclaimed for a period of seven years from the date they become payable by a company have been credited to the Investor Education and Protection Fund as per Section 125(1) of the Act and subject to any amendments that may be made thereto from time to time.
No interest on dividend	223. No unpaid dividend shall bear interest as against the Company
Dividend and call together	224. Any General Meeting declaring a dividend may, on the recommendation of the Directors, make a call on the Members of such amount as the meeting fixes but so that the call on each Member shall not exceed 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 arranged between the Company and the Member, be set off against the

	calls.
Capitalization	225. a) The Company, in General Meeting, may resolve that any moneys, investments or other assets forming part of the undivided profits of the Company standing to the credit of the Reserve Fund, or any Capital Redemption Reserve Account, or in the hands of the Company and available for dividend or representing premium received on the issue of shares and standing to the credit of the Share Premium Account be capitalized and distributed amongst such of the shareholders as would be entitled to receive the same, if distributed by way of dividend and in the same proportions on the footing that they become entitled thereto as capital and that all or any part of such capitalized fund be applied on behalf of such shareholders in paying up in full either at par of at such premium as the resolution may provide, any unissued shares or debentures of the Company which shall be distributed accordingly or in or towards payment of the uncalled liability on any issued shares of debentures and that such distribution or payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalized sum, provided that a Share Premium Account and a Capital Redemption Reserve Account may, for the purposes of this Article only be applied in the paying of any unissued shares to be issued to members of the Company as fully paid bonus shares. b) A General Meeting may resolve that any surplus moneys arising from the realization of any capital assets of the Company, or in investments representing the same, or any other undistributed profit of the Company not subject to charge for income tax be distributed among the members on the footing that they receive the same as capital. c) For the purpose of giving effect to any resolution under the preceding paragraphs of this Article, the Board may settle any difficulty which may arise in regard to the distribution as it thinks expedient and in particular may issue fractional certificates, and may fix the value for distribution of any specific assets, and may determine that such cash payments shall be made to any members upon the footing of the value so fixed or that fraction of less value than ₹10/- may be disregarded in order to adjust the rights of all parties, and may vest any such cash or specific assets in trustees upon such trusts for the persons entitled to the dividend or capitalized fund as may seem expedient to the Board. Where requisite a proper contract shall be delivered to the Registrar for registration in accordance with Section 39 of the Act, and the Board may appoint any person to sign such contract on behalf of the persons entitled to the dividend or capitalised fund, and such appointment shall be effective.

WINDING-UP

Title of Article	Article Number and contents
Liquidator may divide assets in specie	244. The Liquidator on any winding-up (whether voluntary, under supervision or compulsory) may, with the sanction of a Special Resolution, but subject to the rights attached to any preference share capital, divide among the contributories in specie any part of the assets of the Company and may with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction, shall think fit.

INDEMNITY AND RESPONSIBILITY

Title of Article	Article Number and contents
Indemnity	245.a) Subject to the provisions of the Act, every Director, Officer or Agent for the time being of the Company shall be indemnified out of the assets of the Company against all liability incurred by him in defending a n y proceedings, whether civil or criminal in which judgment is given in his favour or in which he is acquitted or discharged or in connection with any application under Section 463 of the Act in which relief is granted to him by the Court. b) Every officer, auditor and agent for the time being of the Company and every trustee for the time being acting in relation to any affairs of the company shall be indemnified and secured harmless out of the assets and the profits of the company against all action, cost, charges, losses, damages and expenses which any such officer, auditor, agent or trustee may incur or sustain by reason of any contract entered into or act or thing done, concurred in or omitted by him as such officer, auditor, agent or trustee or in any way in or about the discharge of his duties or supposed duties otherwise than in respect of any negligence, default, misfeasance, breach of duty or breach of trust of which he may be guilty in relation to his company.
	c) The heirs, executors and administrators of every one of the aforesaid officer, auditor, agents and trustees shall be entitled to the benefits of the indemnities set forth in clause (a) and (b) of this Article.

SECRECY CLAUSE

Title of Article	Article Number and contents
Secrecy Clause	246. a. Every Director, Manager, Auditor, Treasurer, 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 Board, 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 accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the 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. b. No member shall be entitled to visit or inspect any works of the Company without the permission of the Directors or to require discovery of or any information respecting any details of the Company's trading, or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process of any other matter, which may relate to the conduct of the business of opinion of Directors, it would be inexpedient in the interest of the Company to disclose.

SECTION IX: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following Contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than two years before the date of this Prospectus) which are or may be deemed material have been entered or to be entered into by our Company. These Contracts, copies of which will be attached to the copy of Prospectus to be delivered to the RoC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered office of our Company located at Vivagaa Building, # 637, Oppanakara Street, Coimbatore, Tamil Nadu, India – 641 001 from the date of filing Prospectus with RoC to Issue Closing date on all working days between 10.00 a.m. to 5.00 PM.

Material Contracts

1. Issue Agreement dated 5th April, 2016 entered into between our Company and Karvy Investor Services Limited, Lead Manager to the Issue.

2. Registrar Agreement dated February 1, 2016 entered into between our Company and SKDC Consultants Limited, Registrar to the Issue.

3. Tripartite Agreement amongst NSDL, our Company and the Registrar to the Issue dated August 24, 2015.

4. Tripartite Agreement amongst CDSL, the Company and the Registrar to the Issue dated July 15, 2015.

5. Agreement dated June 21, 2016 amongst our Company, Lead Manager, Banker to the Issue and Registrar to the Issue.

6. Underwriting Agreement dated June 22, 2016 between our Company and the Lead Manager.

7. Market Making Agreement dated June 20, 2016 amongst Our Company, the Lead Manager and the Market Maker(s).

Material Documents

1. Copy of Memorandum of Association and Articles of Association of our Company, as amended from time to time;
2. Certificate of incorporation dated June 5, 2012.

3. Fresh Certificate of Incorporation dated May 12, 2015 issued by the Registrar of Companies, Tamil Nadu, Coimbatore, consequent upon change of name of our Company from Nachas Wind Energy Private Limited to KKV Agro Powers Private Limited.

4. Fresh Certificate of Incorporation dated May 18, 2015 issued by the Registrar of Companies, Tamil Nadu, Coimbatore, on conversion of company into public limited.
5. Copy of the Board Resolution passed at the meeting of Board of Directors held on July 06, 2015 authorizing the Issue.
6. Copy of the Special Resolution passed by the shareholders of our Company, at the Annual General Meeting held on September 07, 2015 authorizing the Issue.
7. Copy of Resolution passed by the shareholders of our Company, at the Annual General Meeting held on September 07, 2015 appointing Mr. T.K.Chandiran as Managing Director and Copy of Resolution passed by the Board of Directors of our Company on March 20, 2015 appointing Mrs. C. Selvi as Whole Time Director.

8. Report of the Statutory Auditor Haribhakti & Co. LLP dated April 5, 2016 on the Restated Financial Statements for the financial year ended as on March 31, 2013, March 31, 2014, March 31, 2015 and for the Nine Month period ended 31st December, 2015 of our Company.
9. Statement of Possible Tax Benefits dated May 25, 2016, issued by Haribhakti & Co. LLP.
10. Copies of Annual Reports of the Company for the financial years ended March 31, 2013 (10 Month period), March 31, 2014, March 31, 2015, and financial statements for the period ended December 31, 2015.
11. Consents from our Directors, Company Secretary & Compliance Officer, Chief Financial Officer, Statutory Auditors, Underwriters, Bankers to the Company, Lead Manager, Registrar to the Issue, Market Maker to the Issue, Legal Advisor, Bankers to the Issue/Escrow Collection Banks to act in their respective capacities.
12. Copy of certificate dated May 25, 2016 received from statutory auditors of our Company, Haribhakti & Co. LLP regarding sources and deployment of funds up to May 24, 2016.
13. Copy of resolution passed at the meeting of Board of Directors held on June 02, 2016 and June 22, 2016 for approving the Draft Prospectus and Prospectus respectively.
14. Due Diligence Certificate dated June 2, 2016 from the Lead Manager filed with NSE.
15. Copy of approval Letter dated June 16, 2016 from NSE bearing no. NSE/LIST/76783 to use the name of NSE in this offer document for listing of Equity Shares on Emerge Platform of NSE.
16. Trademark License agreement dated November 18, 2014 between our Company and SCM Global Brands Private Limited authorizing the use of the corporate logo.
17. Machinery sale agreement dated December 15, 2014 between our Company and The KTM Jewellery Limited.
18. Machinery sale agreement dated June 07, 2012 between our Company and Mr. T K Chandiran.
19. Machinery sale agreements dated June 07, 2012 between our Company and The KTM Jewellery Limited.
20. Machinery sale agreement dated April 01, 2015 between our company and The KTM Jewellery Limited
21. Power Purchase Agreement dated February 1, 2015 entered into with Space Textiles Private Limited
22. Power Purchase Agreement dated April 1, 2015 entered into with The KTM Jewellery Limited
23. Power Purchase Agreement dated July 15, 2015 entered into with SKM Animal feeds and Foods Pvt Ltd.
24. Consent from ICRA Limited dated May 23, 2016 for incorporating contents of their Industry report in the Draft Prospectus/Prospectus.

Any of the contracts or documents mentioned in this Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by other parties, subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

Declaration

We, hereby certify and declare that, all the relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992, each as amended or rules made there under or guidelines and regulations issued, as the case may be. We further certify that all the disclosures and statements made in this Prospectus are true and correct.

Signed by the Directors of our Company

Name and Designation	Signature
T.K.Chandiran *Managing Director*	
C.Selvi *Wholetime Director*	/
A.C.Vineeth Kumar *Director*	
A.Velayutham *Independent Director (Non Executive)*	
T.Gnanasekar *Independent Director (Non Executive)*	
V.Chandrasekaran *Independent Director (Non Executive)*	

Signed by the Company Secretary and Chief Financial Officer of our Company

C.Renuka

Place: Coimbatore
Date: 22.06.2016